BATTLE FOR ABANA CONTROL—Page 18

Largest Circulation of Any Canadian Financial Paper

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 18

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 22, 1931 | 10c a Copy; $5.00 a Year | No. 4

The Nation's Business

Professors Blunder in Toronto
Give University Communist Reputation
Quebec Deserts Private Insurance

PROFESSORS PUT VARSITY IN BAD LIGHT

TORONTO is in the midst of a "free speech" controversy. The city is the centre of communist activity in Canada and various radicals have attempted to hold meetings in public parks and on street corners in which they have urged revolution, atheism, war on capitalism, overthrow of organized government and other Muscovite doctrines. Relying upon their recognized powers to curb seditious or subversive utterances and in an attempt to keep such gatherings in public places from leading to breaches of the peace, the police have refused to permit communist meetings to be held in open places or public halls.

This then is the issue; whether the action of the police does or does not represent interference with the rights of free speech, and on this point our readers will probably reach varying conclusions. Most business men will probably feel that the police have been wise to attempt to hold communist propagandists—some of them in the pay of the Soviet, as Department of Labor reports have clearly proven—in check.

* * *

IN THIS controversy a group of 68 professors and lecturers at the University of Toronto have blundered in a most unfortunate manner. Collectively, they have issued a public statement in which they criticize the attitude of the Toronto Police Commission, which they feel "makes it clear that the right of free speech and free assembly is in danger of suppression in this city." Included among the signatories are some professors who have such an intimate connection with various business houses that they can hardly themselves be charged with communist leanings. Their sincerity is not likely to be challenged although among the 68 are others who are frankly communistic in viewpoint.

Nevertheless, sincerely or not, these professors erred in acting collectively. Their opinions have lost force as expressions of individual viewpoint and have become—in the public mind at least—expressions of policy by the University. An individual member of the staff of the Canadian Pacific Railway or the Canadian National Railways, for example, might express an opinion on a controversial matter without seeming to commit his company to that viewpoint. But if the higher executives of either of these corporations were to sign jointly and in large number a collective statement it would be interpreted by the public as representing the policy of the company even though in the statement they should state that they were expressing personal opinions.

* * *

AND so the impression has gone abroad—an impression that most of the professors had no intention of giving—that University of Toronto has lined up with the communists and is ready to be an agency of revolution. Sir John Aird may well say that the professors should stick to their knitting. C. H. Carlisle, another business leader, may well say that if their organized action goes uncensured the people of Ontario will understand that the action has been condoned by the governors of the university.

* * *

STATE FUND FOR QUEBEC

COMPANIES writing casualty insurance in Canada stand to lose an annual gross premium income of over $5,000,000 by the decision of the Quebec Government to abolish the present workmen's compensation act and adopt a state scheme similar to that in force in Ontario. And at one stroke of his pen Premier Taschereau will wipe out what is considered to be one of the finest pieces of legislation of its kind ever enacted on this continent and one which was placed on the statute books only a few years ago after an exhaustive enquiry by a Royal Commission which investigated the operation of this business in all parts of the continent.

The present plan is apparently to be scrapped, not because Premier Taschereau is convinced that the new scheme is better, but merely to meet the exigencies of the current political situation. The premier has openly admitted that the present act is admirable legislation, but he finds that labor demands the state-operated scheme and that the conservative opposition have promised to give such a scheme if elected, so he has decided that he will give it to them also.

* * *

WORKMEN'S compensation insurance is the second most important branch of casualty insurance in Canada, and if any criticism is to be levelled against the companies operating in this field in Quebec it is that they did not sooner come to grips with the question of expenses and offer a plan of insurance that would be comparable on a cost basis with the economically-operated Ontario plan.

Rather than cry over the spilt milk of a $5,000,000 premium income, the casualty and indeed the fire and the life insurance companies might well look to their remaining sources of premium income and see if expenses cannot be cut down in these fields, lest the entire insurance structure come under the searching and often unreasonable glare of public enquiry; and lest state insurance schemes be fostered in other fields.

Private initiative can conduct insurance better than public bodies.

(Continued on page, 2, col. 6)

C.S.L. OUTLOOK NOW ADJUDGED MORE HOPEFUL

Report for 1930 Will Show Deficit After Prior Charges

GOOD 1931 PROSPECTS

Materialization of Business Will Offset Losses Made During Last Two Years

From Our Own Correspondent

MONTREAL.—Operations of Canada Steamship Lines during 1930 were not profitable due to a variety of causes, principally the lack of grain movement from the head of the lakes to the Atlantic seaboard.

Financial statements are now being prepared and from preliminary indications it would appear that revenue during the past year will fall short of taking care of all fixed charges.

Expected Poor Showing

This is in line with statements made by the management several months ago to the effect that the season was turning out badly and that income was running behind 1929. Consequently last August the directors announced that the preferred dividend payable on October 1 would be passed.

It was stated then that the grain business had been disappointing and that passenger traffic had not come up to expectations. Packetfreighthad also declined to some extent, while various operating subsidiaries had been feeling the pinch of depression following upon the limited movement of grain.

Prior Charges $2,699,999

During 1929 fixed charges of the company totalled $2,699,999. Of this amount $1,254,736 represented interest on bonds; $114,121 interest on loans; $1,213,566 for depreciation and $117,576 for bond discount. After payment of these charges there was a net revenue of $230,602. The financial statement for the past year is expected to show a deficit after taking care of depreciation on the same basis as in 1929.

Despite the rather discouraging showing made last year, the current position of the company gives rise to a degree of optimism, which, if justified, will see the company in a much stronger position by the end of this year.

Retire $490,000 Bonds

The financial position of the company has naturally been weakened as a result of operations over the past twenty-four months. Bond interest has been met regularly, however, and, in addition, the company has kept up its sinking fund payments. At the end of 1929, the funded debt stood at $21,247,808. Last year some $490,000 was put into the sinking fund, so that the funded debt

(Continued on page 2, col. 4)

Option for $4,000,000 Hamilton Street Railway

Great interest has been aroused in the mysterious group which has been given an option until April on the Hamilton street railway for $4,000,000, according to statements made by members of the Ontario Hydro Electric Power Commission. The offer is said to emanate from Montreal, but the report is accompanied by the statement that the option provides that the city of Hamilton can purchase at the same figure if it desires to do so before the expiry of the option.

The Financial Post is informed from Montreal that the Montreal interests desire to push the matter to completion before April. It is likely that in the meantime the Hydro officials will sound out the Hamilton City Council to find out whether there is any likelihood of the city desiring the system. When the Dominion Power & Transmission system was purchased by Ontario Hydro, the Hamilton street railway system was offered to the city at $4,000,000, but Mayor Peebles and the city council opposed the purchase at this figure, arguing that the system was not worth more than $2,000,000.

C. A. Maguire, member of the Hydro commission, is reported as having stated that Hamilton is likely to take over the power system, which serves about 4,000 consumers.

It is interesting to note that in 1925 Dominion Power & Transmission agreed to submitting an alternative proposal to citizens of Hamilton either amending the previous agreement with the city or giving the city a chance to buy at $2,250,000. The citizens turned down both proposals, and the company gave notice that it would cease to operate the lines. Later, however, arrangements were made with the city whereby jitney competition was eliminated and whereby the company could raise fares to four for 25 cents. Since then many buses have been added to the company's system and there have been sweeping changes in numbers and type of street cars.

Foreign Trade Off 26 Per Cent in December

Canada's foreign trade slumped 26 per cent in December, according to preliminary returns from the Department of National Revenue, Ottawa. Imports were off nearly $24,000,000 or 28.3 per cent to $60,460,000 during the month, while exports declined 24.5 per cent or $22,424,000 to $68,000,000. For the first nine months of the present fiscal year exports have declined 26 per cent and imports 24 per cent.

The most interesting commentary on December exports is the fact that the actual volume of wheat exported was 40 per cent higher than in December, 1929, but due to the drop in price, the value declined 33 per cent. If December, 1930, wheat exports had brought the same average price per bushel as in 1929, the decline in total value of exports for the month would have been cut from $22,424,000 to $8,000,000.

The following table shows leading items of export in December with comparative figures for 1929, and also summary of imports for the month:

December Foreign Trade

	1929 Value $	1930 Value $
Exports (Can. produce)	88,520,356	66,819,668
Exports (For. produce)	1,956,886	1,233,100
Principal Items of Exports:		
Wheat	20,485,982	14,241,020
Wheat flour	3,613,712	2,496,194
Fish	3,570,218	2,919,440
Furs	553,857	807,485
Meats	1,088,242	451,832
Cheese	1,009,787	634,918
Planks and boards	3,003,555	2,004,720
Wood pulp	3,382,896	2,577,546
Newsprint	12,994,162	12,469,546
Automobile & parts	2,245,856	1,672,097
Copper, unmanuf't'd.	3,076,910	1,526,841
Nickel, unmanuf't'd	1,971,930	1,485,211
Imports		
Free goods	30,083,813	23,264,909
Dutiable goods	54,281,342	37,195,423
Total Imports	84,365,155	60,460,332

SLIGHT DROP 1930 EARNINGS OF BRAZILIAN

Revolution, Drop in Milreis Value and Depression Are Responsible

LOAN TO BRAZIL

Rothschild Syndicate Advances £7,000,000—Cash Dividends When Conditions Sounder

Three events bearing on the fortunes of shareholders of Brazilian Traction, Light & Power Co. have come to light within the last week: first, a stock dividend for the first quarter of 1931 at the rate of one new share for each 50 shares held on Jan. 31, 1931; second, the monthly report on December earnings also carried the totals for the whole of 1930, aggregate net earnings being down 1.7 per cent at $27,549,594; and third, the house of N. M. Rothschild & Sons heads a banking syndicate which has given a credit of £7,000,000 to the Bank of Brazil in order that the latter will have foreign exchange with which to meet loan requirements until the business of the country can be reorganized.

The stock dividend announcement states that the policy of a stock dividend as in the preceding quarter was adopted as in the best interests of shareholders and of the company "in view of the continued unsettled business and financial conditions in Brazil and elsewhere and in order to maintain a sound cash position." These shares rank for dividend from March 2, 1931, except for fractional parts of a share which will not so rank until converted into whole shares. Fractions can be bought and sold, and combined with fractions from December 1 dividend but not with stock dividend of March, 1930, unless accrued dividend on the latter is waived.

Niemeyer Appointment Helps

The consent of Sir Otto Niemeyer to become adviser to Brazilian Government, reported in The Financial Post last week, is believed to have contributed materially to the willingness of financial interests to advance money to Brazil. Collateral is being deposited in London against the loan and it is believed that £3,000,000 of it will be taken up in New York. This will be of aid to the Government in maintaining the exchange value of the milreis.

Restrictions against remittances from Brazil have been lifted in great part and it is understood that the Brazilian has taken advantage of that situation to send out money needed for bond interest and to pay for necessary imports. There may have been more but the company would not adopt a dividend policy which would be against the

(Continued on page 2, col. 4)

Outside Stake in Canada Increases $230,000,000 in '30

Total Outside Investment as at Jan. 1, 1931, Placed at $6,375,533,000 By Financial Post Business Year Book

Outside investments in Canada increased by approximately $230,000,000 during 1930, according to an analysis prepared by K. W. Taylor, M.A., associate professor of political economy, McMaster University, for The Financial Post Business Year Book, 1931. This is $45,000,000 less than the increase in 1929, and $15,000,000 less than the increase in 1927, but is considerably above that in any other post-war year.

The total cumulative total of outside investment in Canada amounted to $6,375,533,000 as at the end of 1930, which compares with $6,146,533,000 in 1929 and $4,735,995,000 at the end of 1922. It will be seen, therefore, that in the past eight years approximately $1,640,000,000 of outside capital has been invested in Canada.

Of the total outside investment in Canada, 61 per cent is now American, 35 per cent British, and 4 per cent from other countries. In 1922 the percentages were: United States, 51; Great Britain, 44; and other countries, 5; and 1913: United States, 22; Great Britain, 73; other countries, 5.

U. S. Invests Billion in Five Years

In the eleven years since the war United States investments in Canada have increased by $1,669,000,000; British investments have increased only $22,000,000; and other outside investments have declined $23,000,000. In the past five years alone American investments have shown a net increase of more than $1,000,000,000.

The following tables show briefly the changes in outside investment in Canada in 1930, and the cumulative total of all foreign investment as at Jan. 1, 1931, as compiled by K. W. Taylor for the Business Year Book.

CHANGES IN OUTSIDE INVESTMENTS IN CANADA, 1930

	Total $	British $	United States $	Other Countries $
New issues sold in Canada	264,322,000	4,490,000	258,832,000	1,000,000
New direct investments	17,700,000	6,700,000	10,000,000	1,000,000
Purchases of old secs. (net)	54,500,000	5,000,000	47,500,000	2,000,000
Total new investments	336,522,000	16,190,000	316,332,000	4,000,000
Repay. & redempt.	107,678,000	25,280,000	80,407,000	1,991,000
Net new invest., 1930	228,844,000	—9,090,000	235,925,000	2,009,000
Net new invest., 1929	274,366,000	13,339,000	260,434,000	593,000

OUTSIDE INVESTMENTS IN CANADA
As at January 1, 1931

	Total $	British $	United States $	Other Countries $
Govt. & municipals	1,413,478,000	429,117,000	979,185,000	5,176,000
Railways	1,722,055,000	955,768,000	721,507,000	44,780,000
Public utilities	586,931,000	120,468,000	429,396,000	37,067,000
Pulp and paper, and lumber	615,890,000	60,092,000	497,058,000	58,740,000
Mining	362,957,000	119,900,000	223,346,000	19,711,000
Metal industries	325,944,000	52,804,000	269,645,000	3,545,000
All other industries	581,881,000	131,700,000	439,997,000	10,184,000
Trading establish.	236 343,000	76,591,000	155,043,000	4,709,000
Finance and insur.	188,542,000	105,626,000	69,486,000	13,430,000
Land and mtges.	341,482,000	192,000,000	96,482,000	53,000,000
Total, 1931	6,375,533,000	2,244,066,000	3,881,145,000	250,342,000
1930	6,146,709,000	2,253,156,000	3,645,220,000	248,333,000
1926	5,313,208,000	2,165,970,000	2,899,981,000	247,252,000
1922	4,735,995,000	2,086,259,000	2,397,308,000	252,428,000

As at January 1, 1930

	Total $	British $	United States $	Other Countries $
Govt. and municipal	1,340,453,000	442,389,000	892,728,000	5,336,000
Railways	1,684,865,000	960,571,000	679,514,000	44,780,000
Pub. utilities	549,544,000	122,161,000	380,866,000	37,517,000
Pulp and paper, and lumber	624,015,000	60,819,000	503,561,000	59,635,000
Mining	316,907,000	112,600,000	187,096,000	17,211,000
Metal, industries	325,991,000	52,804,000	260,645,000	3,545,000
All other industries	556,749,000	128,485,000	417,977,000	10,287,000
Trading establish.	237,477,000	77,365,000	155,356,000	4,756,000
Finance and insur.	186,842,000	105,126,000	68,486,000	13,230,000
Land and mtges.	338,901,000	190,000,000	96,901,000	52,000,000
Total	6,146,709,000	2,253,156,000	3,645,220,000	248,333,000

MONT. POWER WILL REPORT EARNINGS UP

Statement for 1930 Will Uphold Fine Record of Past

LARGER SHARE PROFIT

Expect Statement to Show Gain in Assets Arising from New Stock Offering

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat & Power Consol. will show increased net earnings in its financial statement for the 12 months ended December 31, 1930, as compared with the preceding calendar year.

Though the annual report will not be issued until the end of this week, it is understood that the management will show in the income statement an increase in gross earnings of roughly $1,000,000. During 1929 the company earned $22,286,284, so that for the year just ended income would be in the neighborhood of $23,250,000.

Investment Income Helps

The depression in business has not been without its effects on the earnings of Montreal Power. Despite that fact, the company is able to show an increase in revenue largely owing to higher income from investments and also to the increased demands for the company's services from the new residential districts opened up in the last year.

Expenses have been kept well in hand, and the amount applicable to the common stock is expected to be shown in the report at about $250,000 more than in the 1929 report, or approximately $9,000,000.

Earn $2.20 a Share

As there were 4,081,000 shares of common stock outstanding at the end of the year, this is equivalent to $2.20 a share. This compares with per share earnings, on the same basis, in 1929 of $2.14.

It will be recalled that last April the directors voted to split the then existing stock on a two for one basis and to offer stock to the shareholders on the basis of one new share for each ten held. In addition customers were offered the right to purchase stock at $50 a share, on the basis of 3 shares for gas customers and 7 for electric light customers, or 10 shares to each customer taking the dual service.

Issue New Stock

The amount of stock issued under this offering is estimated at approximately 900,000 shares. Shareholders' rights accounted for roughly 400,000 shares, while customers are reported to have subscribed for about 500,000 shares.

Neither the customers5 stock or shareholders' new stock figures in the 1930 report, as they do not become fully paid up until this year, and, 1931 in the case of customers' stock.

Large Payments Received

The stock offering, however, will have an appreciable effect on the balance sheet, as the company has received large sums of money on account of installment payments. Roughly $1,000,000 a month has been received since last July on the customers' stock, while nearly $10,000,000 has been paid in on account of shareholders' rights.

At the end of 1929 Montreal Power reported assets of over $106,575,000. The statement for the past year will likely show assets in excess of $120,000,000.

Increase Funded Debt

Furthermore the report will reflect the numerous and important changes that have taken place in the company's position over the past twelve months. For example, the funded debt will be up $5,000,000 to $34,306,000. This money was raised for the purpose of cleaning up the company's obligations in respect to the Quebec-New England Hydro-Electric Corp.

The split in the shares will be seen in doubling the number of shares of common stock outstanding.

Absorb Municipal Plants

Some mention also will likely be made of the further widening of the system through the absorption of various municipal plants on the Island of Montreal and adjacent thereto. Since the beginning of 1930 Montreal Power has purchased the municipal plants of Beaconsfield, St. Lambert, Greenfield Park, Mackayville, Riviere des Prairies, Cote de Liesse, Baie d'Urfe, St. Vincent de Paul and Senneville. In addition the company has made overtures to Verdun.

Another important step during the year was the renewal of the company's contract with the City of Montreal for street lighting. The old contract was made on June 4, 1921, and ran to November 1, 1930. Revenue from the city for the street lighting alone is in excess of $600,000.

New Power Contracts

It is possible that the president, Sir Herbert Holt, will make reference to new power contracts entered into during the year. It will be recalled that Montreal Power signed a contract with Beauharnois Power Corp. for 150,000 h.p. Further, the company has strong representation on the board of directors of that company.

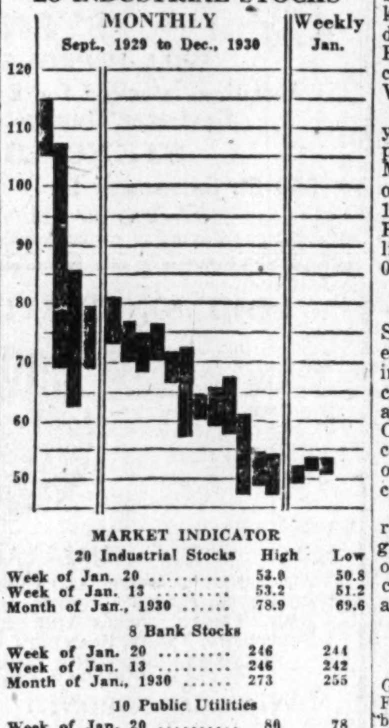
A short while ago Montreal Power renewed its contract with Shawinigan Water and Power Co. for a period of 36 years, or until 1967, agreement calling for delivery of increasing amounts of power.

Toronto General Trusts By-law

At the annual meeting of Toronto General Trust Corp., to be held on February 4, shareholders will act on a bylaw to increase the authorized capital of the corporation from $3,000,000 to $5,000,000.

Stock Market

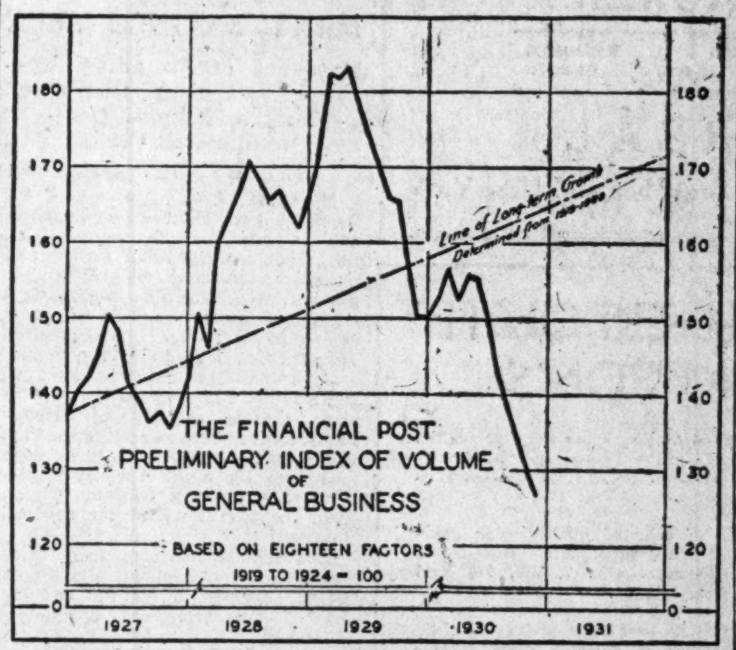
20 INDUSTRIAL STOCKS



MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Jan. 20	53.0	50.8
Week of Jan. 13	53.2	51.2
Month of Jan., 1930	78.9	69.6
8 Bank Stocks		
Week of Jan. 20	246	244
Week of Jan. 13	246	242
Month of Jan., 1930	273	255
10 Public Utilities		
Week of Jan. 20	80	78
Week of Jan. 13	81	79
Month of Jan., 1930	101	94

New Business Index For 1931



The Financial Post publishes herewith a new preliminary index of the physical volume of business in Canada, which will appear each month at least a week earlier than the final index which has been published monthly for several years. The above index is based on 18 factors, while the final index which is based on 26 factors will appear subsequently.

See article page 7

B. C. Packers Adopts Direct Merchandising To Canadian Retailers

Managing Director States Public Are Responding in Amazing Manner

RADICAL DEPARTURE

Salmon Hitherto Always Sold Itself — Marketing No Longer Considered Difficult Problem

Richard J. Gosse, vice-president and managing director of British Columbia Packers, believes that the problem of marketing the greatest pack of salmon which the company has ever had in its career has been solved. It is not that he believes the statistical position of the British Columbia pack with relation to the world's pack and the world markets has changed in any material degree within the last month, but that there has come about an entire change of heart in the industry. The chief evidence of this is that B.C. Packers has stepped to the forefront for the first time in the history of the world's packing industry with a campaign of intensive merchandising and advertising which is already bearing fruit beyond even what was anticipated. This will be followed in three months by a general campaign of all the packers aided by the government.

Such merchandising and advertising programmes, well conceived and energetically executed, have worked wonders in other industries, but salmon packers have never found it necessary to seek a market, except in the years 1920 and 1921 when the Allies threw on the market their surplus stores of salmon. Salmon has always been in constant demand in spite of a lack of publicity and of advertising because of its wonderful food qualities and flavor. It is no news in the industry that British Columbia Packers has never in the past found it necessary to have more than one man to act as salesman for its products. Their sales manager over a desk has been able to sell the whole product, and it has nearly always moved easily through recognized channels to the ultimate consumer.

See Success Ahead

In the past the competition has been all in the fishing and in the packing and in the desire to improve the efficiency and quality of the product. This kind of competition will continue, but salmon is not a product that the public can hope to have at

(Continued on page 3, column 2)

Premier Trust Co. Stock is Not Sold

It is understood that the offer of London interests for 2,000 shares of the capital stock of Premier Trust Co. has been declined as not being in accordance with the liquidation plan for the Peoples Loan & Savings.

Premier Trust was controlled by Peoples Loan. Premier Trust has a subscribed capital of 3,000 shares of $100 par value of which 1,000 shares are fully paid up and the balance of which is 45 per cent paid.

Huron & Erie Mortgage Corp. has taken over the liabilities to the public of Peoples Loan. Asset Realization, Ltd., is a new company to liquidate the assets of People's Loan and to distribute any funds remaining after expenses. It is believed that Huron & Erie will take over most of the mortgages held by Peoples Loan.

Millers Seek Solution To Problems of Industry

Co-operative Effort Discussed in Recent Meeting to Ease Situation—Bakery Chains Seen as Important Factor

From Our Own Correspondent

MONTREAL. — Leaders of the Canadian milling industry met in Toronto last week with a view to finding some solution to the difficulties which confronted them. It is understood that discussions centred around the question of co-ordination but no definite decision was reached. Further meetings are anticipated in the future.

What form this co-ordination of effort will take remains to be seen. No details of the meeting have been made public; in face of the situation which prevails in the industry it is likely that the millers will discuss some arrangement whereby business offering is distributed among the competing mills with a view to stabilizing operations.

Over Capacity Apparent

As was pointed out in The Financial Post a week ago over capacity has made the milling industry sensitive to fluctuations in demand. Domestic business, which accounts for about half of production, is fairly constant but the export market is liable to wide variations.

The result is that when exports show a marked falling off as they did in the past year, flour mills can only operate at a comparatively low rate of capacity with a resulting increase in operating expenses and decrease in profits.

Bakeries Bulk Large

But it is not only in the export market that the millers have suffered in the past year. In recent years there has been a widespread expansion into the baking industry, and each milling company now owns an extensive chain of bakeries. While it is true that these bakeries provide an assured outlet for the parent organization's flour, it has also rendered the owner vulnerable to the adversities which have afflicted the baking industry.

Following the formation of bakery chains and the consolidation of various independent units under one control, competition developed on a keen scale. What amounted to a bread war was waged in several cities and price-cutting began to make its appearance in the general effort to gain business.

Paid Substantial Prices

In the general scramble for bakeries which took place a year or two ago it was not uncommon for a milling company to pay a stiff price for the property it was anxious to obtain. In 1928 and 1929 the millers were making fair profits and were in a position to bid liberally for a business which they wanted.

The result has been that some of the millers have a large amount of capital tied up in the baking industry, which today occupies a not altogether satisfactory position owing to excessive competition. In short, the bakeries, which were to have formed a normal outlet for their parent company's production, have now assumed an almost dominating position in the general picture. As one observer has expressed it, "the tail is now wagging the dog."

Will Enter Discussion

Thus it is likely that this field of the millers' activities will come in for some arduous discussion at any future meeting held. While the export market is an all important factor, the growth of bakeries and resulting competition has brought the domestic end of the flour milling industry into prominence.

Entry of the millers into the baking field in a big way, has been of comparatively recent origin. Ogilvie Flour Mills Co. formed Consolidated Bakeries in 1928 to acquire three bakeries which were formerly owned or controlled as well as to acquire control of Northern Bakeries. Further acquisitions have been made since that date.

Maple Leaf Milling Co. controls Canada Bread Co., Canadian Bakeries, Ltd., Dominion Bakeries, Ltd.,

(Continued on page, 2, col. 6)

CONSUMERS GAS WOULD EXPAND INTO NEW AREA

Port Credit is Immediate Objective; May Go Further East, Also

RIVAL CO. LOSES OUT

United Suburban of Hamilton Fails to Get Franchise Except in Town of Brampton

Consumers Gas Co. of Toronto is seeking authority to extend its mains and services into Peel county, west of Toronto, and into Ontario county, east of Toronto.

There is no immediate intention of extending the mains further eastward, but Consumers Gas is desirous of serving the village of Port Credit in the near future.

A special meeting of shareholders of Consumers Gas is being called for February 16 to pass the necessary by-law preparatory to applying for supplementary letters patent.

Ousts United Suburban

This move on the part of Consumers Gas follows the decision of the 1931 council of the village of Port Credit not to give a third reading to the by-law, passed by the ratepayers last month, granting a 30-year exclusive franchise to United Suburban Gas Co., subsidiary of United Gas & Fuel, of Hamilton. United Suburban already is serving Oakville, a few miles nearer Hamilton.

Mains and services owned and operated by Consumers Gas Co., of Toronto, already are in use at New Toronto, within two or three miles of Port Credit.

Three municipalities last month voted on the matter of a franchise which would have extended the area of operation of the Hamilton gas company. It is believed that the 1931 council at Port Credit, in deciding to let the by-law die after its predecessor council had given it two readings and submitted it to the ratepayers, who ratified it, saw a change in sentiment in the village.

The rural municipality which voted, the township of Toronto, rejected the by-law. Strong opposition was in evidence prior to the voting.

Brampton Approves

The town of Brampton, some miles to the north of Port Credit, voted favorably and the council of that place has given the by-law its third reading. An official of that community, however, has stated to The Financial Post that so far the town has received no information as to what are the plans of the company in view of the fact that the two municipalities lying between the company's present mains and Brampton have rejected the project.

Consumers Gas Co. voiced no active objection to the proposed extensions of the Hamilton company into what apparently is considered the logical territory of Consumers Gas. It is apparent, however, from the by-law on which the shareholders are called to act, that the directors of Consumers Gas are desirous of adding to the present territory served by the company as rapidly as the environs of Toronto develop and can be served profitably.

Is Already Outside

Some years ago it was intimated on behalf of Consumers Gas that that company would seek to serve all of metropolitan Toronto but that it was not deemed desirable for it to attempt to serve any community which is separated from the city proper by long stretches of land not occupied by buildings.

Consumers Gas Co. already is serving important districts outside

(Continued on page 3, column 2)

Investors' Index

INDUSTRIALS, UTILITIES, ETC.

Algoma Central	10	Gatineau Elec.	4
Abitibi	9	Hamilton Bridge	4
Bank Nova Scotia	14	Imperial Oil	9
Brew. Corp.	11	Investors' Synd.	9
Bolivian Power	13	Imperial Oil	9
Borden Co.	8	Int. Nickel	9
Brazilian	1	Imp. Royalties	9
Bell Telephone	4	Jamaica Pub. Ser.	13
Brazilian	9	Laura Secord	5
Building prod.	13	Lake. Sup. Corp.	10
B. C. Packers	1	Lambton Loan	10
Consumers Gas	1	Montreal Power	1
Can. Steamships	1	Mitchell, J. S.	3
Can. Vinegars	5	Midland Savings	10
Columbia Gas	5	North Star Oil	10
Can. Rail & Harb. Term.	5	National Trust	11
C. N. R.	5	Nat. Distilleries	10
Can. Ind. Alc.	13	Nfld. L. & P.	4
Charles Gurd	11	North Amer. Life	15
Carlings Brew.	11	Porto Rico Power	4
Canada Bread	9	Winnipeg Elec.	4
Can. Pr. & Paper	4	S. Can. Power	4
Chartered Trust	14	Sun Life	15
Can. Hydro-Elec.	4	Security Loan	10
Canada Life	15	Supertest Pets.	9
Can. Perm. Mtge.	10	Simpson's	9
Can. Cons. Felt	10	Thayers	11
Central Can. Loan	15	Premier Trust	1
Confeder. Life	15	Stimson	11
Dom. Steel	10	Sprucolite	13
Dominion Bank	14	Toronto Mtge.	10
De Forest Radio	5	U. Grain Growers	9
Dryden	8	Victoria Trust	11
Dom. Bridge	4	Western Steel	10
Great Lakes Paper	10	Western Grocers	13
		Zimmerknit	8

QUOTATIONS

Abana	18	Hollinger	18
Anaconda	18	Mercury Oils	18
		McIntyre	18
Big Missouri	18	Nipissing	18
Consol. Smelters	2	Sudbury Offset	18
Dome	18	Seven Troughs	18
Granby	2	Venus	18

MINES AND OILS

Bonds	12	Mines	13
Grain	12	Stocks	12

REGULAR DEPARTMENTS

Banking	14
Business	7
Editorial	6
Inquiries	9
Insurance	15
Mining	18
Pulp and Paper	16
Utilities	4

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CANADA'S PART IN CABLE PLAN IS UNCERTAIN

Much Preliminary Work Before Definite Steps Are Taken

MANY SAVINGS SEEN

Purchase of Canadian Marconi Needed to Complete Link in Empire Communication Chain

From Our Own Correspondent

MONTREAL.—Suggestion of Sir Basil Blackett, chairman of Imperial and International Communications, Ltd., that the Canadian Pacific and Canadian National should become partners with the I.I.C. in forming a Canadian overseas communication company, including the Canadian Marconi Co., is receiving the consideration of the parties concerned, but there is little immediate prospect of any tangible results. Sir Henry Thornton is quoted as stating that the whole matter would have to be gone into carefully before it would be possible to express a definite opinion upon the feasibility of the scheme. This will take time.

This scheme has only to do with the commercial business and would not, apparently, affect the railway end of the telegraph company's operations.

Simplify Zone System

In a semi-official announcement it is pointed out that the amalgamation would have the advantage of considerably saving the present duplication of equipment and personnel from coast to coast. At present eight commercial telegraph zones are strung across Canada and it is probable that such an amalgamation would permit of the cutting down of these eight zones to only three; from Cape Breton to the head of the Lakes; head of the Lakes to Regina; Regina to Victoria.

A further advantage, according to the report, would be the setting up of a strong, all-Canadian organization. At the present time both telegraph systems have connections with American operators, namely, Western Union and Postal, which handle the bulk of overseas business. It is obvious that great advantages would accrue to Imperial and International Communications, through the proposed consolidation, as the bulk of the overseas business would then go through I.I.C. channels.

Imperial Aspect Seen

The imperial aspect of the amalgamation is not overlooked. It is pointed out that following the Imperial Conference of 1928 the cable from Canada to New Zealand and Australia, together with the Halifax and Bermuda cables was merged by purchase in the Imperial and International Communications. Into that organization the Eastern Telegraph Co. brought the strength of its network of cable communications from London, via Suez, throughout the Orient, and to this was added the British Marconi wireless system, leased to the I.I.C. for a term of years by the British Post Office. Thus in the eastern hemisphere the I.I.C. could meet all competition.

A different situation exists in the western hemisphere. The I.I.C. did not take in the Canadian Marconi which continued its business relations with the British Post Office. All the I.I.C. got for transatlantic business were two out-of-date cables, which placed it in a particularly weak position to compete for transatlantic business, especially considering the strong connection of the Canadian commercial telegraph companies with American corporations.

Canada is Needed

Canada therefore has been a weak link in the chain and the purchase of Canadian Marconi, now being negotiated by Sir Basil Blackett, is the first move to strengthen it. If that can be followed by an amalgamation of Canadian land wires, the Canadian link with Australia and the Orient from London will begin to compare more favorably with the link from London via Suez.

Say Ottawa Favors Plan

Cable Matter Presses
From Our Own Correspondent

OTTAWA.—The question of cable and wireless communications between Britain and Canada, and the larger question of Imperial communications, is engaging the close attention of the government, and, in the nature of things, the decision of the cabinet probably will be the decisive factor in the outcome.

The story of Empire cable service, as it affects Canada, goes back to the old Pacific cable which was owned by the British, Canadian and Australian governments. A few years ago, this cable service was sold to Imperial Communications and each of the partner governments received a cash payment of considerable amount. Subsequently the wireless cut heavily into the earnings of the Pacific cable; the new company met heavy reverses, and is having financial difficulties.

In a sense, then, the present proposal is an abatement of the terms of sale of the Pacific cable. If the Canadian government should decide to put up money for an Atlantic service, the load now resting on Imperial Communications would be materially lessened.

Story of Atlantic Cables

The facts in regard to the Atlantic situation, briefly, are as follows:

There are two old cables in existence, linking Canada and Newfoundland with Great Britain. These cables are old, out of date, inefficient; but could be re-conditioned and brought up to date. They are owned by Imperial Communications.

The cable business between Canada and Britain does not pass over these old cables, or, if so, to a very limited extent. The business goes through United States cables. The two Canadian telegraph companies have built up close affiliations with United States telegraph companies, which, in turn, operate or are associated with cable companies. The National Railways works with the Western Union: the Canadian Pacific with the Postal Telegraph.

Would Drop U. S. Links

Sir Basil Blackett desires to tie the Canadian Marconi company with its powerful broadcasting stations into the wireless system of Imperial Communications. This would ensure a wireless service from Britain to Canada and the Antipodean Dominions.

The financial and commercial difficulties are very great.

The Canadian National, it is believed, finds the difficulties and dangers more worrisome. The Canadian National works in close harmony with the Western Union and the International Telegraph & Telephone Corp. If the National were to withdraw from these United States services—and the bulk of Canadian cables go by this route—the Western Union would suffer. And if the Western Union decided to show active resentment, the National Railways is peculiarly exposed to retaliation because of its mileage in the Republic. The Grand Trunk and Central Vermont lines would be imperilled.

As to the Canadian Marconi, an announcement has been made that it favors the Blacket proposal. Control of Canadian Marconi is held by Lazard Brothers of London but a large block of stock also is held by the Radio Corp. of America, which is closely associated with many powerful financial corporate bodies south of the line. The announcement of Canadian Marconi is believed here to indicate that the company is prepared to risk the animosities which might be created in the United States.

The attitude of the government is said to be favorable. Rt. Hon. R. B. Bennett, it is understood, expressed himself to that effect, during the interview with Sir Basil. How far the government is prepared to go to bring about the proposed new service is doubtful; will depend, to some extent, upon the amount of money which would be needed.

SLIGHT DROP 1930 EARNINGS OF BRAZILIAN

(Continued from page 1)

wishes of the Brazil Government. The latter is anxious both to restore the credit of the country, somewhat shaken temporarily by the Revolution, and to prevent any major movement of funds from Brazil which would increase their difficulties in maintaining the exchange value of the milreis. The Government is desirous of removing all restrictions as soon as it can safely be done and has already gone far in that direction, however.

Dr. Vargas, the new president, has so far followed policies which are inducing confidence in financial centres. He believes in protecting the present coffee situation by buying the surplus but has informed coffee growers that hereafter they must take care of themselves. His Government is not attempting to maintain a market price for coffee, which would be suicidal. Coffee will in the future as in the past be the mainstay of Brazil's foreign business but programmes are being instituted to develop other resources.

Brazil has in the past encountered periods of dire adversity but it has shown a remarkable resilience, and financial interests with stakes in Brazil do not show the least intention of withdrawing.

Dividend May be in Cash

Understanding that the Brazilian Government wishes to remove all restrictions against the free movement of funds into and out of Brazil, important shareholders in Belgium, England, France and Canada are understood to have been making known their ideas as to whether there should or should not be a cash dividend. Stock dividends have now been declared for two quarters and many shareholders feel this to be the best policy for the time being.

Earnings of Brazilian Traction are sufficient but they do not believe it to be conservative to make remittances when there are considerable losses through exchange. In 1921 and 1922 the earnings were turned back into the property with splendid results to shareholders in the end.

On the other hand, there are many who favor a cash dividend and it is probable that their representations will be acceded to as soon as Brazilian exchange will stand such strains. Some claim that cash dividends should not begin until the company is sure that it can continue them uninterruptedly, others that an occasional cash dividend would sweeten matters for shareholders even if the stock dividend policy were adhered to for a time.

Slow Comeback Looked For

The Brazilian Government very shortly, it is believed, will be successful in making a refunding loan which will relieve it of some of its difficulties. As the government has large mineral resources, particularly in iron largely undeveloped, and as it has rich agricultural districts devoted to stock-raising and to other crops than coffee, a slow comeback to financial health is expected. This is the guarded estimate of men who do a great deal of business with Brazil.

The coffee planters cannot indulge in the extravagant buying of some years ago. Coffee prices will be low until, in a free market, surpluses are reduced and old trees destroyed, but coffee will still go abroad to pay for necessary imports and it is likely that it will be joined to an increasing degree each year by other products until the balance is restored to something like the old figures.

C. S. L. OUTLOOK NOW ADJUDGED MORE HOPEFUL

(Continued from page 1)

at the end of last month had been cut down to about $20,740,000.

Keep Down Bank Loans

With income affected, recourse to the banks was necessary and at the close of 1929, bank loans stood at $2,250,000 on the balance sheet. This figure grew during 1930, especially at the middle of the season, but reductions have since been made, bringing the aggregate of bank loans down to a figure not far above that shown in the 1929 statement.

Prospects Are Good

At the present time the company has more enquiries on bulk freight, etc., than at any other similar period for some time past. While it is true that much of this prospective business may not materialize, the fact that so much potential business is offering, causes the management to feel more optimistic on the outlook for 1931.

As mentioned in The Financial Post from time to time last year, the grain movement was negligible. As this division of traffic provided the major share of the company's revenue, the financial results for the year were largely a foregone conclusion.

Grain Movement Better

Since the beginning of the current crop year, the flow of grain has been on a far wider scale. The low price of wheat has attracted foreign buying and the volume of grain exported for the current crop year to date is approximately double that of the corresponding period a year ago.

It is not expected that the winter rail movement will assume any large proportions owing to the fact that the Georgian Bay ports, as well as those along the St. Lawrence are well filled and that export demand can be taken care of from those points without the necessity of bringing the grain down from the lake head.

If the grain moves normally next spring, as there is reason to expect, the steamship companies will be in a good position to participate in the movement. Recent enquiries would indicate that this appears to be the situation.

Enquiries on bulk freight have been above average. This is attributed to two causes. In the first place, shippers are endeavoring to move their materials at a minimum of cost. Water-borne transportation, in this instance, is preferred. Secondly the opening of the Welland Canal, with complete facilities, is expected to take place next June. The steamship companies, particularly Canada Steamship Lines, will have the advantage of this unit throughout the greater part of the season. The canal widens the area for bulk and packet freight to a considerable extent, this being one of the main reasons why shippers are making more enquiries of water-borne transportation methods.

Packet Freight Maintained

Last year the packet freight business of the company declined less than 10 per cent. This division of freight has grown increasingly important over recent years and now provides a fair proportion of the company's revenues. The Welland canal opening, etc., is expected to have its effect on the volume of business handled in this department during 1931.

Passenger business for the coming season is largely an indeterminate quantity. Last year was not particularly good, though returns up to July had been promising. Traffic after that month was disappointing. It remains to be seen whether passenger travel will show an increase this year; at the moment any estimate is largely guesswork.

Subsidiaries Mark Time

Operations of Canada Steamship's subsidiaries, such as Century Coal, Davie Shipbuilding, etc., depend, in a varying degree, upon the parent company's activities. A large percentage of the coal business handled by Century Coal is definitely allied to the number of boats in operation. Then again the hotel business is dependent upon passenger travel.

Prospects for the 1931 season, however, are definitely better than they were this time a year ago. If expectations are realized, the company will be able to overcome losses in the past two years and again place its finances in a strong position. There is no definite assurance of a turn in the situation, but, as previously mentioned, there is more reason for feeling optimistic than pessimistic on the outlook.

No Capital Outlay

While no set programme has been laid down for 1931, it is understood that the management will not carry out any capital expenditures. Readjustments in operations, which have been effected over the past twelve months or so, will continue in force.

H. E. Sellers is Member Winnipeg Grain Council

Harry E. Sellers has been appointed to the council of the Winnipeg Grain Exchange in the vacancy caused by the death of J. C. Gage.

Mr. Sellers also has become president of the Northland Elevator Co., which operates a 7,500,000-bushel elevator terminal leased from the C.P.R. at Fort William.

Mr. Sellers is vice-president and managing director of Federal Grain, Ltd., vice-president and director of Associated Oil & Gas, director of the Prairie Cities Oil Co., a director of the Imperial Bank of Canada, president of Melady, Sellers & Co., and a director of the London & Western Trusts.

THE NATION'S BUSINESS

(Continued from page 1)

There is no need for public ownership in the insurance field in Canada, yet it is gradually encroaching upon the field of the private companies. In workmen's compensation insurance, all the provinces will be on state funds when Quebec changes over. The Dominion government operates an annuity scheme and soldiers' insurance scheme. Propaganda is occasionally circulated for state or municipal fire insurance.

The companies may well be on their guard. Two weapons in their defense should be fair and economical service to the public and thorough publicity of their operations to win public goodwill.

Both Ontario and New Brunswick have just appointed Royal commissions to study workmen's compensation insurance. Representatives of the private companies might seize these occasions to present their arguments for private insurance in the employers' liability field and thus gain the benefit of some public discussion of the respective merits of state fund and private insurance.

MILLERS SEEK SOLUTION TO PROBLEMS OF INDUSTRY

(Continued from page 1)

and Eastern Bakeries, Ltd. These units, in the aggregate, operate in all principal cities from the Atlantic to the Pacific.

Lake of the Woods Milling Co. has been particularly active in this field in the past year or two. In addition to owning the Inter-City Baking Co., which operates in eastern Canada the company formed last year, the Inter City Western Bakeries, Ltd., which represents a consolidation of bakeries in leading western cities.

Western Canada Flour Mills Co. controls the Purity Baking Co., which was formed to hold the baking investments of the parent company. In 1930 additional plants were acquired, being represented in most of the large centres in Canada.

Have Acquired Large Stake

It is easily seen, then, that the millers have acquired a large stake in the baking industry as a whole. In normal times this expansion could have been expected to be a profitable move, but since a great part of the expansion was followed almost immediately by the business depression of the past year, it can be realized that the bakeries are not proving up to expectations.

Conferences of the millers are seen as a constructive move. The industry was called upon to face the most difficult period of its existence last year and the export situation, though improving, is not yet satisfactory. Co-operation is a term which is glibly used but its practice is generally a more difficult achievement. Nevertheless it may be expected that further meetings of milling executives will bring about an agreement which will lead to an improvement in the existing situation in both the export and domestic field.

Smelters Has Shown Interest In Granby Mine

Copper Mountain mine, owned by Granby Consolidated Mining, Smelting & Power Co., which was sampled by engineers of the Consolidated Mining & Smelting Co., a short time ago, was recently further inspected by Smelters officials.

The interest shown by Smelters in this property, since it was closed down last November, has started speculation as to the outcome. It is known that the copper smelter at Trail is now idle owing to the suspension of the Copper Hill property and the blister copper from the Anyox plant of Granby is now going to the Copper Cliff refinery of the Ontario Refining Co., which makes all of Smelters copper treating plant idle.

It is regarded as logical that Smelters will be interested in copper properties in order to keep its big investment in a smelter and refinery busy, just as soon as the price of copper improves to make such operation profitable. Whether Smelters present interest in Copper Mountain is with a view to purchase or as a survey to the potential copper ore resources of the vicinity is a matter of conjecture.

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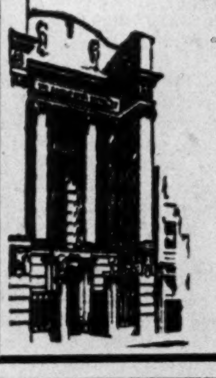

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J. S. MITCHELL EARNINGS DOWN, POSITION BETTER

Retirement of Preferred Improves Equity of Common Stock

J. S. Mitchell & Co. earned $5.51 per share on 15,000 shares of no par common during 1930 as compared with $5.81 in 1929 after giving effect to retirement of 1,200 shares of preferred during the past year. Cash position has been further improved and the ratio of current assets to current liabilities is 4.7 to 1 compared with 4.44 to 1 in 1929 and 4.98 to 1 in 1928.

Gross trading profit dropped $17,855 from the 1929 figure while operating expenses including provision for income tax increased by $7,553. Net earnings from operations was therefor $25,408 below the 1929 figure but an increase in revenue from sources other than operations and a decrease of $8,356 in preferred dividends paid brought the surplus for the year to $82,711 as against $96,861 in 1929 and $90,679 in 1928.

Adds to Surplus

Since dividends have never been paid on the common shares the surplus for the year brought the surplus carried forward to $349,032 and increased common stock capital and surplus to $687,478, representing 15,000 common shares. The details of income and surplus accounts for the past three years are as follows:

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1930 $	1929 $	1928 $
Gross trad. prof.	347,396	365,251	357,093
Oper. exp., taxes	250,349	242,796	237,402
Net earnings	97,047	122,455	119,691
Other income	13,356	10,354	10,297
Net profit	110,403	132,809	129,988
Less: Prd. div.	27,692	35,948	39,309
Surp. for year	82,711	96,861	90,679
Add: Prev. surp.	264,913	169,017	88,447
Less: Inc. tax adj.	......	965	10,109
Bal. forward	349,032	264,913	169,017

While assets have been reduced to $1,373,926 from $1,439,139 shown in 1929, the decrease is largely due to reduction of accounts receivable and inventories. Cash and investments have increased and amount to the largest total ever shown by the company. Cash at $173,603 has increased $8,718 and investments are up $1,410 to $125,267. Receivables at $418,461 have been reduced $53,957 and inventories are down $13,609 to $240,138. Current assets total $957,469. Fixed assets are slightly lower at $414,131; prepaid expenses are $2,323.

Accounts payable of $184,798 have dropped $14,500. Mortgage payable has been reduced to $100,000 from $110,000 and preferred stock carried at $380,000 gives effect to retirement of 1,200 shares of $100 par value during 1930. Capital and surplus, represented by 15,000 shares of common stock, is shown at $687,478 as against $605,358 in 1929 and $509,462 in 1928.

The company is engaged in wholesale and retail distribution of mill, railway, mining, plumbing, blacksmiths, and contractors supplies, including coal, general hardware, explosives and electrical equipment. Its field of operations is in Quebec.

CONSUMERS GAS WOULD EXPAND INTO NEW AREA

(Continued from page 1)

the corporate limits of the city of Toronto. These other areas include, besides New Toronto and Mimico on the west, Scarboro, Leaside and portions of the townships of North York and East York.

The proposed supplementary letters patent would give the company power to extend its lines into the townships of Toronto and the Gore of Toronto, including the villages of Port Credit and Streetsville, and the police village of Malton, all in Peel county; and the township of Pickering, including the police villages of Claremont and Pickering, in Ontario county, "including also any other city, town, village or police village now or hereafter erected" in these municipalities.

Look for Further Growth

So far as domestic services are concerned, it is believed that much of the future expansion and growth of Consumers Gas must come from districts beyond the present limits of the city of Toronto. In fact, it is understood that in the last year about two-thirds of the new meters have been installed beyond the city limits. Growth within the city, in future, it is believed, will be largely from industrial and commercial, users of gas.

When Consumers Gas first began to extend beyond the city limits a few years ago, there was some opposition on the part of civic politicians. Consumers Gas is chartered by special act and rates are fixed by statute in accordance with cost and consumption. The opposition fell to the ground when it was demonstrated that there is much more likely to be an advantage, rather than a disadvantage, to city consumers in having the company expand its sphere of operations and its volume of business.

B. C. PACKERS ADOPTS DIRECT MERCHANDISING

(Continued from page 1)

slaughter prices. There are even enthusiasts who declare that within a year or two the problem may be rather one of filling demands than of marketing a surplus.

The marketing problem did not look so simple early last September, when Richard J. Gosse looked about him and saw on one hand one of the most splendid packs in the history of the company and on the other the most demoralized world market for many food commodities that this century has known. He came east, got together well-known experts in Canada and the United States in merchandising, and since then has been attacking with characteristic energy the problem of marketing not alone for this year but for years to come. In order to see what the public reaction would be to a vigorous, honest statement of the merits of salmon as a food fish with information through recipes as to best ways of using different varieties of salmon, careful surveys and experiments have been made in selected areas. The response has been simply amazing. That is why, with the greater part of the pack still unsold, the problem of selling British Columbia Packers' salmon no longer weighs heavily on the minds of those most concerned. They are working hard to sell it, but they no longer have any doubts as to the outcome.

Has Dietetic Value

"Why should there be any difficulty in selling our pack?" asked Richard J. Gosse, when a representative of The Financial Post asked him how the campaign to sell salmon was progressing. "The story of salmon is one of the most interesting in the world. Salmon are packed by the large companies under conditions which ensure one of the safest and most delicious foods in the world. Salmon has a distinct dietetic value in important districts of Canada in that there is a distinct goitre belt across the Prairie provinces and parts of the eastern provinces. A proper mixture of sea food at intervals is a necessity in these regions. Salmon is rich in vitamines 'A' and 'B' and it has iodine in proper and easily assimilable quantities. The Department of Fisheries at Ottawa refers in its blue book to salmon as 'The King of Food Fishes.'

Selling Was Easy

"It is not hard to sell a food which has always in the past sold itself. It has suffered somewhat because it is in competition with highly advertised food products of other kinds. Most members of the public need only to be reminded to turn back to an occasional use of salmon to vary their menus."

"What other method besides advertising are you using to place these facts before the consuming public?" he was asked.

"I may answer that by telling you what we did in Ottawa. We went to the retail grocers, whether chain or independent. We did not go to them with a corps of specialized salesmen. Instead we brought down from British Columbia the managers of our various canneries. They had never sold any goods so far as we knew, but they knew their product as no one else could be expected to know it. They came in on the morning train about 7.30 o'clock a week ago Monday. We had a talk with them in the morning about what we wanted them to do, who they were to see, and what they were to sell.

"Each went out with ten calls to make in the afternoon, and by 6.30 at night they had called on the entire list and they had sold to every retailer visited. On Tuesday night, when I left Ottawa, they had called on 220 retailers and had sold 219 of them. They were so successful there, and we have been so successful in other places, that I am now worrying about the size of our stocks in Eastern Canada. We have sent hurry-up orders to British Columbia.

"We had a similar success in Peterborough. We asked the co-operation of every retailer to sell sample cases of salmon each containing three tins, two of pink and one of red sockeye. These cases were sold for 79 cents, and each tin bore our Clover Leaf Brand.

"Having a quality product, hereafter we will always have and advertise and push the value of the Clover Leaf brand and endeavor in our packing operations to improve the already high standard quality of it so far as is humanly possible. We are not resting on our laurels. We have engaged D. B. Finn, one of the world's greatest scientific fish technologists, who was formerly with the biological Board of Canada, to conduct research into methods whereby we can further develop the quality of the pack and improve, if possible, the high standard already attained.

"So in Peterborough and elsewhere these small cases specially prepared to sell to the public, will have the Clover Leaf brand; two tins with pink labels will bear the legend: 'Clover Leaf pink salmon, fancy pink'; another with a white label will say 'Clover Leaf sockeye salmon or red salmon, fancy sockeye.'

"We sell these at a premium over other salmon because we are taking the pick of our pack for the Clover Leaf brand. The conditions under which we fish enables us to do that. British Columbia has a coast line 700 miles long and we have 45 canning plants. Not one of those plants is more than 50 miles distant from the fishing grounds. The farthest can be reached in six hours. In no case does more than 24 hours elapse between the last minute when the salmon is swimming in the ocean and it is hermetically sealed in the can. It is bound, therefore, to be in fresh fine condition when it is canned."

"How successful were you in Peterborough?"

"There are 5,500 families in Peterborough, and we hoped to sell about 3,000 cases. Actually we sold 5,500 cases. That does not mean that a case went into every Peterborough home, but it does mean that there were many repeat orders."

"Will you try this in many cities?"

"We are putting this sale on in 30 of the largest cities in Canada, and it will have been tried in all of them before Lent which is on February 18."

Does Not Fear Russia

"Does this intensive effort to merchandise in Canada mean that Soviet competition in Great Britain is taking away part of your market and that you have to find an additional outlet in Canada in consequence?"

"Not at all. We have sold more salmon to the United Kingdom this year than we did last. The Soviet competition does not worry us. The reports from England that the Soviet had dumped 1,000,000 cases of salmon in England are all bunk. They didn't have 500,000 cases altogether in their whole pack."

"How about Japanese and American competition?"

"The Asiatic pack has been controlled by the Japanese. The fish go through Russian waters, and the Japanese have had to pay for fishing concessions. You may have noticed that the Japanese bank, Bank of Korea, which was in Vladivostock, has closed its doors. It was the only foreign bank in Russia. This means that the Japanese will have to pay double for concession rights in the future. The bank was able to trade in Russian roubles and thus to pay for concessions in Russia. They got them at 50 cents less than they will have to pay for them now. That is a handicap to the Japanese.

Salmon Always Consumed

"As to world competition, there was a bigger run of fish in 1930 in British Columbia and for us it was a larger pack than ever before. The world pack this year was 10,100,000 cases and the previous year 10,300,000 cases. British Columbia's share of the world's total pack is 2,200,000 cases of which this company packed half. It would not surprise me in 1931 if the pack for the world dropped to about 8,500,000 cases. The average world production for the last 15 years has been 8,700,000 cases.

"The salmon has always been eaten. If there is a hang-over or a surplus from one year, it is made up for by the lack of another year. Remember, there can be no over-production in salmon as there has been in wheat, coffee and rubber. The runs of salmon on the average are definitely limited by nature. Fishing operations have to be protected and restricted so that there shall be no depletion. We are not, therefore, in the vulnerable position of those who have produced more than the world can consume.

"Talking about consumption, consider the American situation. They have large producers in the United States and the product has been marketed much as ours has been. Suppose that they adopt in the United States similar merchandising methods to those that we are adopting. If each person in the United States was to take one can of salmon every three months, it would take the world's entire average annual pack. The salmon industry, therefore, cannot be said to have oversold its market. It is just the other way about."

Canned Salmon Good for Decades

"What demand do you expect in Canada?"

"The actual results will tell us that. However, here are some interesting facts. In the United Kingdom there are 44 pounds of fish consumed annually per capita of which 2½ pounds are canned salmon. In Canada there are 22 pounds of fish a year consumed per capita of which 1 9/10 pounds are canned salmon. After a good deal of research we have ascertained that in Canada 25 per cent of the people eat 65 per cent of the canned salmon that is sold. That shows a remarkable field for introducing our product. This computation is the result of actual research by trained investigators since we started this campaign in September."

"How long can one depend on the quality of salmon when it has been canned?"

"I have eaten canned salmon which has been canned twenty years and it was still in excellent condition. There was no observable deterioration. In conducting this campaign we are going the whole way. We stand behind every can that has our brand upon it. We guarantee the contents of every can. If we say that this is the finest quality of fancy pink salmon, it will be."

"Isn't there another general campaign on behalf of salmon coming?"

Will Not Affect 1930 Statement

"There will be a co-operative campaign of all the packers in British Columbia in three months. They will advertise canned salmon, not any particular company. Our sales manager, S. K. Murray, is chairman of the advertising committee of the Canned Salmon Section of the Canadian Manufacturers' Association. They are conducting that campaign. This is our personal campaign. As we pack 50 per cent of the B. C. pack, we are the only packers with volume large enough to justify a national campaign of this kind."

"Will results of this campaign affect at all your statement for the year ending February 28, 1931?"

"Not to any material degree," answered Mr. Gosse. "The actual selling part of the campaign is only gathering way now. Naturally, our statement will probably show inventories quite high as we had such an exceptionally large pack. I am convinced, however, that this campaign will be a splendid thing for our company."

"How about the Cohoe salmon? Are you offering the public only the pink and the red salmon in this campaign?"

"The Cohoe salmon goes into consumption very easily. There were only about 143,311 cases out of a total for British Columbia of 2,163,712 cases. Our recipes which are being distributed suggest this brand for salads and sandwiches. It sells in a tin bearing a green label."

A Hint for Others

"You have been diversifying considerably in recent years. How have other departments of your business been getting along?"

"We are doing quite well with our fresh frozen fish, and we have by no means explored all the possibilities in this direction. By means of refrigeration these fish can be sent even as far as England.

"The actual return from the pilchard fishing this year will not differ much from last. Our meal went up in value though the price of oil declined. We had a product of 5,000 tons of meal and 1,250,000 gallons of oil. The meal is sold for stock and poultry food, and the oil is an edible oil used for high grade soaps and the manufacture of margarine in Europe. The use of the meal for poultry is extending. A good deal of publicity was given recently to the champion hen in British Columbia which established a world's record in laying eggs. It was fed on a mixture containing pilchard meal."

"Hon. H. H. Stevens, Minister of Trade & Commerce, in a little talk to our representatives at Ottawa said, 'British Columbia Packers in this campaign is setting an example which could well be taken up and adopted by other lines of industry. We will be very glad if anything we are able to accomplish proves of value to other industries or to other packers. We hope salmon packers all over the world will follow suit. It will be for their good and our good. And it will be a permanent good because we believe people who start again eating salmon will continue.'"

Heads Canada Cement

J. D. JOHNSON,
who succeeds A. C. Tagge as president of Canada Cement Co. Mr. Johnson heretofore has been vice-president and general manager.

There is Some Way We Can Serve You

We cordially invite your enquiries.

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CROWN TRUST COMPANY · EXECUTORS · TRUSTEES · AGENTS

AUTHORIZED CAPITAL	$5,000,000
PAID-UP CAPITAL	1,000,000
RESERVE FUND	400,000

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WINTER SPORTS

Winter Sports at Lucerne-in-Quebec are conducted in the true Canadian manner. There is an exciting bobsleigh run, skiing on the slopes of the Ottawa valley, skating and hockey on two rinks together with tobogganing, ski-joring, sleighing, snowshoeing and curling.

One finds in the Log Chateau the atmosphere of a leisurely week-end party, for the Log Chateau is run primarily for the members of the Seigniory Club and their friends.

A few reservations can be made for non-members during the winter season only. Send requests for reservations to the Manager, Log Chateau, Lucerne-in-Quebec, Canada.

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A Club Community

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LAKE OF THE WOODS MILLING CO., Ltd.

Makers *of* FIVE ROSES FLOUR

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$67,792,346
NEW INSURANCE IN 1930
Greatest Production of New Business in History of Association

$7,665,640
INCREASE IN NEW BUSINESS PRODUCTION IN CANADA
Compared with 1929—Eight Provinces out of Nine Contributing to such Increase

$369,026,570
TOTAL INSURANCE IN FORCE
Increase of $31,677,322 over 1929

$81,936,094
TOTAL ASSETS
Invested in Highest Class of Securities

PROFITS TO POLICYHOLDERS
Payable in 1931, Maintained on Basis of High Scale of Profit Allotment in 1930

Confederation Life Association

Head Office Toronto

C. S. Macdonald, *President and General Manager*
R. S. Waldie, Col. J. F. Michie, *Vice-Presidents*

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Engineers, Manufacturers *and* Erectors *of* Steel Structures

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Architect's drawing showing Modern Parking Garage to be erected at Charlotte and Princess Sts., Saint John, N.B.

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Saint John's Newest Public Utility will Meet Motorists Needs

Shortly, a centrally located 6 and 7 storey parking garage will be erected in Saint John. "The Dominion Garage" may be rightly termed Saint John's latest public utility because it meets an essential and increasing public need for parking and garage facilities.

The Princess Sales Company are now offering 7% cumulative preferred stock carrying a bonus of 50% in common stock.

We believe that investors in the Princess Realty Company Limited will be well repaid. "The Dominion Garage" is ideally situated; estimates have provided very conservatively for only 60% occupancy; and financing to date has been arranged most economically. As the stock is being rapidly subscribed, we would suggest that investors take immediate advantage of this present offer.

Inquiries addressed to the Princess Sales Company will receive courteous and prompt attention.

THE PRINCESS SALES CO.
Charlotte St., Cor. Princess
SAINT JOHN, N.B.

Utilities and Transportation

PORTO RICO POWER NOVEMBER OUTPUT SHOWS INCREASE

Earnings in 1930 Expected to Exceed Previous Year

From Our Own Correspondent

MONTREAL. — Output of Porto Rico Power Co. in November, 1930, amounted to 3,236,940 kw.h. as compared with 2,973,470 in the same month in 1929. Production in the 11 months ended November 30 was 32,987,660 kw.h. as opposed to 29,544,080 kw.h. in the same period in the preceding year. Earnings have also increased and will show a gain over 1929.

The improvement in output is largely a reflection of the company's aggressive policies in merchandising electrical appliances. A special campaign was recently undertaken with a view to increasing the use of electric ranges, which is reported to have met with considerable success.

Operating Costs Reduced

While higher output has played a part in increasing earnings, lower operating expenses have been an important factor. The company brought its new hydro-electric plant at Rio Blanco into operation in September, 1929, and improvements and additions were subsequently made to other parts of the system which have tended to reduce working expenses.

Reduction in rates have brought about an increase in number of customers served. This figure at the end of November amounted to 36,242, as compared with 35,140 at the same time in 1929. The company occupies a sound position in its public relations, while it is continually seeking new outlets for production.

Controlled by Inter. Power

Porto Rico Power is controlled by International Power Co. and is the major entity in the consolidation of companies which comprise that organization. Despite the effects of the hurricane which swept Porto Rico in 1928, Porto Rico Power has been able to maintain dividend payments of 4 per cent on the common shares, of which there are $3,000,000 issued. About 94 per cent of this stock is held by the parent company, and on this basis International Power derives $112,800 each year from its stake in Porto Rico Power common.

Earnings in 1929 were $465,147. After all charges there remained a sum equal to $6.01 a share on the common. There is a wider investment interest in the preferred stock which earned $25.02 a share in 1929. Earnings for the year just past are expected to show an improvement over these figures.

New England Power Share Earnings High

From Our Own Correspondent

MONTREAL. — New England Power Association, subsidiary of International Hydro-Electric System, for the 12 months ended September 30, 1930, reports net earnings applicable to common stock of $4,548,394, or the equivalent of $5 a share on 909,777 common shares, the average outstanding during the period.

For the 1929 calendar year New England Power earned $5.25 per share on 959,731 common shares; $4.04 on 836,388 shares in 1928; $3.37 on 761,310 shares in 1927 and $3.34 on 592,035 shares in 1926.

At the end of September last, New England Power had outstanding 932,281 common shares, of which 87 per cent were owned by International Hydro-Electric System.

New England Power Association now owns or controls plants and sites in excess of 600,000 h.p. of hydro-electric power, of which 467,300 h.p. is installed or under construction. In addition, it owns or controls steam plants with capacity of 473,000 h.p.

List Inter. Hydro Stock

From Our Own Correspondent

MONTREAL.—There has been listed on the Montreal Stock Exchange 16,423 additional shares of Class A stock, without nominal or par value, International Hydro-Electric System.

Can. Power and Paper Debentures Decline

From Our Own Correspondent

MONTREAL. — Canada Power and Paper Corp. 5½ per cent debentures touched a new low recently when the Laurentide series were traded in at 23 on the Montreal Stock Exchange. At this price the interest rate gives a return of nearly 23 per cent. The decline in the securities follows publication of figures covering newsprint production in December which revealed a further drop in output and operating activity of Canadian mills.

There is considerable speculation as to what the 1930 report of Canada Power and Paper Corp. will reveal in face of the difficult conditions under which the newsprint industry has labored in the past year. While earnings have fallen off, it is possible that current quotations on the company's debentures are more due to anticipation of a reorganization of capital structure than to fear of interest default.

WINNIPEG TRAM RATE SCHEDULE DUE FOR DECISION

Expect Utility Board to Make Statement by End of Month

From Our Own Correspondent

MONTREAL.— Manitoba's utility board is expected to hand down its decision before the end of the month in respect to a permanent rate schedule for Winnipeg Electric Co. tramway system.

For several months past various experiments have been made in an endeavor to find an equitable rate which would permit the company to operate the street railway on a profitable basis. The results, as far as known, have not been too encouraging.

A short time ago, E. Anderson, president of the the company, said that unless the company was given relief from taxation and higher fares put in force, it would be necessary for the company to make radical reductions in the tram service offered.

Have Lost Money

The tramway system has been a lodestone for Winnipeg Electric for several years past. Numerous efforts have been made to put the system on a paying basis, but without success.

Franchise for the tramways expires next year. According to the agreement one year's notice must be given by either party if a change is desired. To date the city council of Winnipeg has not given any indication of what it intends to do.

Meanwhile, a new development has cropped up, namely, the offer of Nesbitt, Thomson and Co. to purchase the city's power and electricity system. If this deal goes through, the city will be out of the utility business and operations will likely be concentrated in the hands of Winnipeg Electric, for which company Nesbitt, Thomson and Co. act as fiscal agents.

The decision of the utility board, accordingly, is likely to be reflected by this situation.

Nfld. Light and Power Tram Revenue Lower

From Our Own Correspondent

MONTREAL. — Newfoundland Light and Power Co. reports gross earnings on its tramway system of $86,713 during the past year.

This was a decrease of $1,815 over 1929. In accordance with the terms of the franchise, the company has paid into the St. John's treasury 2 per cent of the amount received.

CANADIAN HYDRO EARNINGS LARGER AS "LOAD" GROWS

Nine Months Statement Reflects Increased Deliveries

From Our Own Correspondent

MONTREAL.— Increasing power deliveries are finding reflection in the earning power of Canadian Hydro-Electric Corp., subsidiary of International Hydro-Electric System, which in turn is controlled by International Power & Paper Co. During the twelve months ended September 30, 1930, the company reported a gross income of $8,201,650 as against $6,855,778 in the calendar year 1929. It is to be expected that report for the year ended September 31, 1930, will show a maintenance of this increase in earnings.

After deducting operating expenses, taxes, maintenance, etc., there remained a net operating income of $6,873,755 in the fiscal year ended September last. This was approximately $1,160,000 more than in the year ended December 31, 1929. After taking care of all charges, including dividends on the first preferred stock, there remained a surplus in the period of $936,869, as against $241,882 reported in 1929.

Income Records Growth

Full particulars of the income account for the periods covered follow:

	Year end. Dec. 31/29	12 mos. end. Sept. 30/30
Gross revenue	$6,855,778	$8,201,650
Less: Expenses	1,141,485	1,327,895
Net oper. income	5,714,292	6,873,755
Less: Amort. of disc. funded debt	239,936	276,179
Interest	4,027,915	4,288,033
Net revenue	1,446,441	22,309,543
Less: Depreciation	454,559	622,674
Divds on pfd.	750,000	750,000
Surplus	241,882	936,869
Brought forward	6,842,733	6,893,474
Carried forward	$7,084,615	$7,830,343

Control 642,000 h.p.

Through its subsidiaries Canadian Hydro-Electric Corporation now controls hydro-electric developments in Quebec and New Brunswick, together with retail and wholesale distributing systems serving a territory of 5,000 sq. miles having a population of about 202,000. These developments include the power plants of the Gatineau River with an installed capacity of 436,000 h.p. and on the Ottawa River and tributaries developments of 126,600 h.p. All the Gatineau and Ottawa plants, except 40,000 h.p., are physically interconnected, forming one hydro-electric generating property.

In addition to the development centring on Ottawa, the Corporation controls the largest power development in the Maritime Provinces at Grand Falls, N.B., where an 80,000 h.p. plant is in operation.

Power Load Increasing

Operating subsidiaries of the Canadian Hydro-Electric have several important long term contracts with the Ontario Hydro-Electric Power Commission and others, requiring deliveries of primary power in the aggregate from 250,000 h.p. on October 1, 1928, more than 480,000 h.p. beginning October 1, 1931, and ultimately to a total of 505,000 h.p.

Up to September 1, 1929, deliveries were made at the rate of 250,000 h.p. In October, 1929, deliveries were increased to 325,000 h.p. and last month the rate of deliveries had attained 450,000 h.p.

Have Sufficient Capacity

Capacity sufficient to produce the total amount of power contracted to be delivered has already been constructed and is in operation. Pending full deliveries the temporarily available surplus power is being sold at substantially lower rates so that increase in contract deliveries result in increases in revenue with practically no increase in operating expenses and fixed charges.

At the present time the operating subsidiaries of Canadian Hydro-Electric constitute one of the largest power producing groups in the Dominion. For the twelve months ended September 30, 1930, the output of the group was 2,457,170,000 kw.h.

CANADA NORTHERN REPORTS PROGRESS

Mine Developments Have Favorable Effect on Demand

From Our Own Correspondent

MONTREAL.—In a letter accompanying the current dividend, Canada Northern Power Corp. points out that the outstanding feature in its territory during the past three months was the re-opening of the Dome mill, which occurred early in November. The other Porcupine camps, according to the company, are also making satisfactory progress which reflects itself in increased use of power and greater earnings for the company.

The circular letter goes on to say that in Kirkland Lake the established mines are improving the facilities of their plants and increasing the tonnage of ore treated. Two additional properties have opened up operations in the South Lorrain camp, but their power demands at the moment are small.

In the Boston Creek area, the Telluride mine has been added to the company's list of customers.

Complete New Plant

Referring to construction work, the letter states that work at the Upper Notch plant has now been completed. This addition to the system was placed in operation on November 12.

During the past quarter, output of electricity reached new peaks and during each of the three months an average of over 1,000,000 kw.h. per day were produced.

In addition to the larger increases of power consumption which have been reported in recent months, the majority of mines operating in the company's territory are increasing their power requirements, which indicates a favorable outlook for the New Year.

Canada Northern Power Corporation's pulp mill has been running continuously since the previous dividend letter was sent out

Champ Succeeds Hendrie as Head of Hamilton Bridge

From Our Own Correspondent

MONTREAL.—Walter B. Champ has been elected president of the Hamilton Bridge Co. to succeed Major W. I. S. Hendrie, who has resigned that position, but remains on the board of directors. Mr. Champ had been vice-president and general manager.

His successor has not been named.

DOMINION BRIDGE WIDENS MARKET WITH NEW LINES

Forms New Subsidiaries With American Connections

From Our Own Correspondent

MONTREAL — With a view to securing greater diversification of production, G. H. Duggan, president of Dominion Bridge Co., announced at the annual meeting that the company was forming two new subsidiaries, the Dominion Hoist and Shovel Co. and the Hume Pipe Co. (Canada), Ltd.

This step has been taken, according to Mr. Duggan, with a view to Dominion Bridge securing its quota of the large domestic manufacture of machinery that was previously imported before the advent of the present government to power.

Secures New Lines

In order to take advantage of this opportunity, the company has been active in making connections with some of the best British and United States firms that have hitherto been exporters to the Canadian market. In furtherance of this policy, the Dominion Hoist and Shovel is being formed jointly by Dominion Bridge, Dominion Engineering and American Hoist and Derrick Co., while Dominion Bridge in association with Steel Pipe and Lining Co. proposes to form the Hume Pipe Co. (Canada), which company will have the exclusive license of the Hume patents and processes in this country.

In surveying operations for the past year, Mr. Duggan pointed out that while sales, output and profits had been lower in 1929, they had been better than in 1928; sales being 102 per cent and output 124 per cent of that year.

Large Capital Outlay

Mention was also made of the fact that in the last four years the company had made an aggregate of capital expenditure of over $6,600,000 and investments in other companies totalling over $400,000; despite this the company was able to maintain a strong liquid position, surplus of liquid assets over liabilities at the end of the last fiscal year being approximately $8,800,000.

Work More Distributed

Some interesting figures were presented by the president to the shareholders in respect to the relative activities of the different plants. In the following table it will be noticed that there has been a decided trend toward distribution and that the company is assuming a more national character. Following is the percentage of the total output from each of the constituent branches in the last four years:

	1927	1928	1929	1930
Amherst	0	0	1.1	1.0
Lachine	60.1	52.1	44.8	32.1
Ottawa	3.9	3.1	3.8	1.8
Toronto	10.4	11.7	22.0	17.7
Eastern Div.	74.4	66.9	71.7	52.6
Winnipeg	25.5	25.1	18.3	25.6
Calgary	...	...	...	2.5
Vancouver	...	9.	10.	19.3
Western Div.	25.6	34.1	28.3	47.4

Shareholders' attention was also drawn to the rapid growth in shareholders' list, there being 4,115 names on the record at the close of the fiscal year last compared with 2,682 at October 31, 1929.

NEWFOUNDLAND SETS NEWSPRINT RECORD

Only Country in America to Show Increase in 1930

From Our Own Correspondent

MONTREAL. — Newfoundland established the fine record in 1930 of being the only country in North America to produce more newsprint than in 1929. For the past year, the two mills in the Colony produced 287,259 tons. This is some 32,000 tons higher than in the previous year and the best in the history of the industry.

Newsprint manufacture in Newfoundland is of comparatively recent origin. Two mills have been established, one by the Rothermere interests and the other by the Armstrong-Whitworth Co. The latter was taken over in 1927 by International Power and Paper Co., and has since been increased.

Good Marketing Facilities

Through association with the Rothermere group of English papers, the first mill has been able to maintain operations at capacity. International's plant has also been kept operating at capacity, production being marketed in the United States. Though conditions in that market have not been favorable of late, International has kept the mill at capacity, owing to its low cost figures, particularly in ocean shipping.

Following are the monthly production figures of the Newfoundland mills over the last two years, which give a clear picture of steady expansion:

	1930 (Tons)	1929 (Tons)
January	23,263	20,648
February	21,098	18,783
March	23,579	19,985
April	23,172	20,950
May	25,149	21,569
June	23,891	20,802
July	25,426	21,966
August	24,663	22,758
September	23,767	20,733
October	25,395	23,841
November	24,208	22,151
December	23,648	21,123
Total	287,259	255,500

Bell Telephone Shareholders Pay Income Tax on Interest

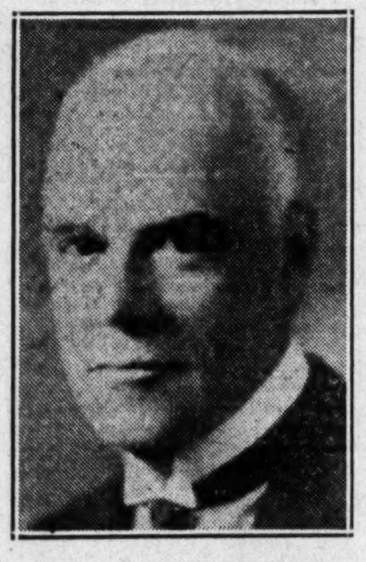
From Our Own Correspondent

MONTREAL. — Shareholders of the Bell Telephone Co. of Canada resident in Canada, who acquired new stock in the 1929 issue, have been circularized by C. F. Sise, the president, to the following effect:

"Payment for shares subscribed under the above issue was made in three instalments. Interest at the rate of 5 per cent per annum, amounting to $1.15 per share, was allowed on the first two instalment payments from their respective due dates to April 1, 1930, when it was paid by crediting the amount of final instalment payment.

"The Commissioner of Income Tax has ruled that interest on the new stock payment is to be treated as a dividend and the above amount will be included by us in our report to him on dividends paid in 1930."

Joins Trust Board



JOHN S. NORRIS, who has been elected a director of Montreal Trust Co. Mr. Norris is prominently connected with Montreal Power and its varied activities.

NEWFOUNDLAND DOMESTIC STATE IS SATISFACTORY

Minister of Customs States Conditions Better Than in Canada

From Our Own Correspondent

MONTREAL. — Economic conditions in Newfoundland are in a better state than those in Canada, according to the Hon. Peter Cashin, Minister of Customs for Newfoundland. As compared with 1929, Newfoundland's revenue in 1930 was down but 10 per cent, while that of the Dominion was down 20 per cent. Unemployment was much lower, comparatively, too; and the paper mills of Newfoundland are running at capacity, while Canadian mills are operating at less than 60 per cent of capacity.

In explaining the reason for the greater employment, Mr. Cashin is quoted in an interview as stating that two-thirds of the natives of Newfoundland are fishermen who own their small homes and pay no municipal taxes; thus, being free of both rent and taxation they are able to support their families on income of five or six hundred dollars per year. Ordinarily the income would be larger, but fish markets have been so disrupted of late that the catches had to be marketed at a small profit.

Paper Industry Helps

The development of the pulp and paper industry in Newfoundland in the last two years has been and is an important factor in the Newfoundland employment situation. Two mills are in operation, one owned by the Rothermere interests and the other by International Paper. The former has an assured market with the Rothermere paper interests while the latter exports to the United States market. The International mill has a capacity of 550 to 600 tons a day and is regarded as one of the low-cost producers in North America.

Southern Canada Power Earnings Gain in December

From Our Own Correspondent

MONTREAL. — Southern Canada Power Co. reports net earnings for December of $142,168 as against $132,685 in the same month of 1929, an increase of $10,083. Gross income amounted to $215,102, up from $205,739. At the same time there was a decrease in operating expenses from $73,054 to $72,334.

For the first three months of the company's fiscal year ended December last, gross earnings amounted to $620,387, as compared with $584,685 in the same period of 1929. Expenses increased from $202,391 to $225,954. Net operating income for the last quarter of 1930 totalled $394,433, an increase of $12,139 over the corresponding month of the previous year.

Gatineau Electric Light Appliance Sales Gain

From Our Own Correspondent

MONTREAL.—Domestic merchandise sales reported by Gatineau Electric Light Co. for November last were 49 per cent greater than in October and over double November, 1929. Appliances sold by the company in November last year added an estimated consumption of 69,900 k.w.h. per year to the company's systems or 18 per cent greater than the consumption added by the merchandise sales in October.

More washing machines were sold in November last than any other single appliance, their total value being over one and one quarter times the aggregate sales of all other appliances.

PULP OUTPUT FOR NOVEMBER SHOWS DECLINE

Full Figures for Year Will Reflect Situation in Paper Trade

From Our Own Correspondent

MONTREAL—Production of pulp in Canada and the United States during the past year was affected by the decline in the output of paper. The uses of pulp for other than paper-making purposes, also were affected, thus bringing down the aggregate production.

Though figures for the full twelve months are not yet available, it is apparent from returns for the first eleven months that complete returns for the year will be somewhat under those recorded in 1929.

Canadian Output Less

In respect to the manufacture of groundwood pulp, Canadian production on last November amounted to 139,211 tons, as compared with 190,205 tons in the same month in the preceding year. American mills reported an output of 66,922 tons in November last—a drop of about 12,500 tons from the same month in 1929.

Cumulative figures on the production of groundwood pulp in Canada record an output for the first eleven months of 1929 totalled 1,494,052 tons, as against 1,837,713 tons in the corresponding period of the previous year. Production in American mills totalled 910,266 tons, or roughly 50,000 tons less than in 1929.

Some Ground-wood Stocks

An interesting feature of the report on ground-wood pulp is that stocks on hand at the end of November, 1930, were virtually the same as at the same date the year previous. At the end of November, American mills reported 48,529 tons on hand, while Canadian mills had 7,817 tons, a total of 56,346 tons. On the same date in the preceding year, United States mills reported stock of ground-wood pulp totalling 45,947 tons and Canadian mills 10,501 tons, making an aggregate of 56,448 tons.

Sulphite Also Declines

Returns on the manufacture of sulphite pulp are not quite as good as those reported for ground-wood. During November last, Canadian mills produced 20,597 tons as against 72,431 tons in the same month of 1929. During the same period, United States mills produced 30,903 tons in 1930 and 38,477 tons in 1929.

Production of sulphite pulp in Canada between January and November, 1930, totalled 544,816 tons. This compares with 684,166 tons in the same period of the previous year.

During the 1930 eleven months' period, American mills produced 379,747 tons of sulphite as against 426,840 tons in a similar period in 1929.

There was a small decline in the volume of sulphite stocks on hand at the end of November, 1930, as compared with the same date in 1929. United States mills recorded stocks of 6,577 and Canadian plants 5,858, making a total of 12,435 tons. At the end of November, 1929, stocks totalled 13,325; 6,509 tons being reported by American mills and 6,816 tons by Canadian plants.

Open Fish School

The Biological Board of Canada announces the opening of its six weeks' term for Maritime fishermen at the Fisheries Experimental Station at Halifax on January 28th. Only bona fide fishermen between the ages of 17 and 35 are eligible for the course.

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4½% Gold Bonds
Due January 15th, 1932-1971
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News of Investment Markets

C.N.R. FINANCING $70,000,000 LOAN WILL TRY MARKET

Ontario's $30,000,000 Issue is Not Yet Fully Absorbed

RETAIL DEMAND OFF

Bonds Softened in Past Week Due to Heavy Schedule of New Offerings

Announcement of a $70,000,000 loan for the Canadian National Railways for which bids were opened on January 21 led to some disturbance of bond prices during the past week. This was due to doubts as to whether the present market would absorb such a large amount following the heavy volume of financing which has been undertaken in New York since the first of the current year. The Ontario issue of $30,000,000 4½'s has only been on the market a week and is not as yet fully placed. Incidently the retail demand for the Ontario bonds is reported as having been negligible.

The Canadian National Railways $70,000,000 loan will be for 25 years and will have a 4½ per cent coupon rate. Leading investment bankers in the United States and Canada were asked to tender on the issue which is payable in the United States. The bonds are guaranteed by the Dominion of Canada and rank for all intents and purposes as a government bond. As is the custom with Federal financing, no announcement will be made of the competing bids, the offering price of the issue and the degree of readiness at which it is subscribed will indicate the present position of the market.

Institutions Buy Ontario Bonds

While institutional buying has been moderately good for the recent Ontario flotation, the demand has been chiefly for the short term maturities which were sold at a premium. It is stated that upon initial offering the Canadian demand was better than that in the United States but the larger proportion of the issue will be absorbed in New York. Small investors have not purchased the Ontario bonds to any extent since the yield is less than can be secured from older issues of the province.

While there is no considerable volume of municipal financing scheduled for the next few weeks some issues will undoubtedly come on the market, possibly on short notice. An example during the past week was an issue of Forest Hill Village tenders on which were rejected in October, 1930. Tenders were again asked on January 17 for consideration on January 19 and the issue of $150,000 4½ per cent 30-installment debentures were sold on a cost basis to the village of 4.99 per cent as compared with the high bid of last October which was on a basis of 5.01 per cent.

Bids Are Many

While the bond market is not as steady during the past week as it was during the first two weeks of January, the number of bids on recent pieces of municipal financing points to the fact that a large number of investment houses have reduced their holdings to a point where they will enter the market. There were some 13 bids for the Port Colborne issue of which but 11 came up for consideration; Forest Hill Village received 15 bids and four syndicates tendered on the Three Rivers debentures. Details of these recent sales are carried under "Bond Sales" on this page and it is noticeable that there is a considerable range between the high and low bids in each case. While many investment houses are in need of further municipal bonds to diversify their list of offerings, the demand from investors is not strong and the immediate trend of the market is somewhat uncertain.

Provincial bonds on the whole have shown signs of strength during the week ended January 21 while Dominion and Dominion guaranteed bonds have softened and corporation bonds were irregular. Of a list of 37 selected bonds there were 12 gains, chiefly minor in nature, 17 losses and 8 remained without change. This is in contrast to the week ended January 13 when there were no losses, 32 issues made gains and five were stable.

De Forest Production Doubled That of 1929

De Forest Crosley is entirely sold out of its 1930 production, according to an announcement given out by D. H. Pollitt, vice-president and managing director of the company. The latter accompanied this statement with an announcement of a new line of radios, consisting of four models.

Mr. Pollitt stated also that it had become possible to offer the new merchandise because 1930 proved to be the most profitable year in the experience of the company, production being approximately double that of the preceding year.

Stock has risen in marked manner since the statement was released, the trading public judging from the past year's performance that the prospects for the year ending March 31, 1932, will also be favorable. Earnings in the 15 months ended March 31, 1930, were $1.61, and in the 12 months ending March 31, 1931, will be considerably more than this, depending on the extent of write-offs to various reserves.

Montreal Debenture Meeting

Annual meeting of Montreal Debenture Corp. will be held in Montreal on January 28.

Bond Sales

PORT COLBORNE, ONT.

H. R. Bain & Co. has been awarded $113,804 5 per cent 30-installment debentures of the Town of Port Colborne, Ont., at 99.317; cost basis approximately 5.06 per cent. Bids under consideration were as follows:

1 H. R. Bain & Co.	99.317
2 Fry, Mills, Spence & Co.	99.17
3 A. E. Ames & Co.	99.04
4 McLeod, Young, Weir & Co.	98.80
5 J. L. Graham & Co.	98.72
6 Matthews & Co.	98.591
7 Gairdner & Co.	98.532
8 Harris, McKeen & Co.	98.377
9 R. A. Daly & Co.	98.287
10 Wood, Gundy & Co.	98.07
11 C. H. Burgess & Co.	97.06

VILLAGE OF FOREST HILL, ONT.

Dyment, Anderson & Co. was awarded $250,000 4½ per cent 30-installment debentures of the village of Forest Hill, Ont., on January 19, at 94.461, cost basis 4.99 per cent. This is the same issue for which tenders were rejected on October 22, 1930. At that time the highest bid was 94.26, a cost basis of 5.01 per cent entered by the Canadian Bank of Commerce. Tenders considered on January 19 were as follows:

1 Dyment, Anderson & Co.	94.461
2 Fry, Mills, Spence & Co.	94.41
3 Bell, Gouinlock & Co.	94.27
4 R. A. Daly & Co.	93.91
5 J. L. Graham & Co.	93.889
6 McLeod, Young, Weir & Co.	93.88
7 Canadian Bank of Commerce	93.77
8 Dominion Securities Corp.	93.657
9 C. H. Burgess & Co.	93.48
Harris, McKeen & Co.	93.48
10 Wood, Gundy & Co.	93.30
11 A. E. Ames & Co.	93.08
12 J. L. Goad & Co.	93.02
13 Matthews & Co.	92.91
14 H. R. Bain & Co.	91.848

THREE RIVERS, QUE.

Banque Canadienne Nationale and syndicate was awarded $478,500 5 per cent debentures maturing serially 1931-1970 at 97.63, cost basis 5.17 per cent, on January 19. Bids reported are as follows:

1 Banque Canadienne Nationale, Ernest Savard & Co., Credit Anglo-Français Ltd.	97.63
2 Geoffrion & Co., Banque Provinciale	97.28
3 McLeod, Young, Weir & Co., Bell, Gouinlock & Co., Fry, Mills, Spence & Co.	96.09
4 Gairdner & Co., Dyment, Anderson & Co., C. H. Burgess & Co., Griffis, Raine & Co.	95.082

CANADA VINEGARS EARNINGS LOWER, BETTERS POSITION

Net Profit For 1930 Equal to $1.82 Per Common Share

WORKING CAPITAL UP

Reduced Mortgage Outstanding and Added Materially to Depreciation Reserve

Canada Vinegars and subsidiary companies in the year ending Nov. 29, 1930, earned $232,588 after deducting all costs of operation, management, selling and office overhead expenses as compared with $249,363 in the preceding year. After depreciation, income taxes, Western Vinegars dividend on shares not owned, net profit available for common stock amounted to $167,903, which is equivalent to $1.82½ a share on 92,000 no par value common shares outstanding as against $2.01 a share available in 1929 and $2.11 in the last six months of 1928. This is still ample for the annual dividend of $1.60 a share but the results were somewhat disappointing to many shareholders who had expected that 1930 results would be better than the preceding year.

CONS. INCOME AND SURPLUS ACCT.
Periods Ended November 30

	1930	1929	1928†
	$	$	$
Net earnings	232.588	249,363	256,991
Less:			
Depreciation	49,974	48,747	42,938
Inc. tax res.	12,541	13,862	17,846
Other charges*	2,170	2,197	1,679
Net profit	167.903	184,557	194,528
Less appropriations:			
Dividends	147,200	147,200	73,600
Surp. for year	20,703	37,357	120,928
Add: Prev. surp.	158,284	120,928	......
Bal. car. for.	178,987	158,285	120,928

* Dividends and profits accruing on shares of Western Vinegars, Ltd., not held by the company.
† Six months' period only.

The company therefore increased during the year its earned surplus by $20,703 to $178,988. The financial position is also stronger, current assets being 4.14 times current liabilities, whereas a year earlier the ratio had been 3.53 to 1. Current assets at $392,871 show a gain of $6,000 even though accounts receivable and inventories show a decrease, the difference being made up by an advance in cash from $9,251 to $48,237. The large and high-quality crops of pickling and salad vegetables produced a greater call for the company's product than in the comparatively poor season a year earlier. The company's last six months are its chief earning months.

Fixed assets at $1,371,038 show little change. Mortgage receivable is reduced from $39,082 to $37,230. Mortgages payable dropped from $80,001 to $33,507. Depreciation reserve on buildings, plant and machinery was increased from $91,204 to $140,320.

The company has no funded debt and owes the banks nothing.

One change was made in the directorate, F. H. Yapp, honorary secretary, succeeding to the place left vacant by the retirement of H. P. Eckardt.

WORKING CAPITAL

	1930	1929	1928
	$	$	$
Current assets	392,871	386,891	382,355
Current liabilities	94,813	109,544	118,551
Working capital	298,058	277,347	263,804

Rail and Harbour Terminal Profit Gains 13.3 Per Cent

Earnings of Canadian Rail & Harbour Terminals in 1930 are reported as showing a considerable increase over 1929 figures. Unofficial figures for the 11 months ended November 30, 130, show gross profit at $652,095, as compared with $629,479 in the corresponding period of 1929.

Net profit for the above periods is given at $332.207 in 1930 and $294,305 in 1929. While gross profit has increased 3.6 per cent, the gain shown in net profit is 13.3 per cent.

Three Rivers Debentures Sold to Montreal Group

From Our Own Correspondent

MONTREAL.—City of Three Rivers debenture issue of $478,500, bearing interest of 5 per cent, payable in yearly series for the next 40 years, has been sold for 97.63 to a syndicate headed by Banque Canadienne Nationale, Credit Anglo-Français, Harris-Mackean Co., and Ernest Savard Ltée.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Minneapolis Heat Regulator	*5%	1932	Feb. 1	100
Hamilton By-Products Coke	*7%	1943	Feb. 1	104
Stock Issues—				
National Grocers Ltd. 1st pfd.	8%	....	Feb. 14	110
Foreign Issues—				
Danish Cons. Mun. Loan	8%	1946	Feb. 1	107½
Rep. of Finland	*5½%	1958	Feb. 1	100
Belgium (ext.)	8%	1941	Feb. 1	107½
Norway	*6%	1944	Feb. 1	100
Rep. of Greece	*6%	1968	Feb. 1	100

*Called in part.

Columbia Gas and Electric Debentures Placed in Canada

From Our Own Correspondent

MONTREAL.—Headed by the Guaranty Co. of New York, an American syndicate is offering Canadian participation in an issue of $50,000,000 gold debenture bonds, 5 per cent series, of Colombia Gas and Electric Corp.

This company, as its name implies, is engaged in the production transmission and distribution of natural gas and electricity. Over 1200 communities in Ohio, Pennsylvania, New York, West Virginia, Maryland, Kentucky and Indiana are supplied by the company's system.

$50,000,000
COLUMBIA GAS & ELECTRIC CORP.
GOLD DEBENTURE BONDS
5% SERIES, DUE 1961

Business: Through subsidiaries is engaged in the production, distribution and transmission of gas and electricity. The system has more than 1,300,000 customers directly connected.

Purpose of Issue: Proceeds will be used to reduce outstanding $66,044,636 bank loans incurred in making advances to Columbia Oil and Gasoline Corp. and in providing funds for capital expenditures, etc.

Earnings: Consolidated earnings for the 12 months ended November 30, 1930, showed net of $31,104,506, which with other income, brings total up to $35,792,776. Prior charges, including this issue, total $11,401,319.

Capitalization:

Subsidiary companies, funded debt	$56,072,700
Preferred stock	48,624,200
Minority common stocks, etc.	780,388
Columbia Gas & Electric Corp.:	
5% debentures, 1952	53,319,700
5% debentures, 1961	50,000,000
6% preferred series	94,731,400
5% preferred series	3,929,600
Common stock, no par	11,684,200¼ shs.

Equity: Outstanding stocks of corporation at present quoted prices indicate a market equity in excess of $500,000,000.

Offer: Guaranty Co. of New York, Union Trust Co. of Pittsburg, J. & Seligman & Co., W. E. Hutton and Co., Coggeshall and Hicks, Field, Glore and Co., at 98 and accrued interest, plus transfer tax, to yield 5.13 per cent.

United Towns Electric Seeks Wabana System

From Our Own Correspondent

MONTREAL.—United Towns Electric Co., Newfoundland, is negotiating for the outright purchase of the Wabana Light & Power Co.

At present part of the power generated in the plant of the Dominion Steel and Coal Co. is dispensed to consumers outside the plant by the Wabana Light and Power Co., which obtained this privilege, ratified by a special franchise in September, 1927, when the Steel company ceased to supply directly those residents who are not in their employ. The Wabana Co. uses the corporation's main transmission lines but it has constructed its own lines to the various settlements supplied with light.

Public Utility Earnings

Southern Canada Power

	1930	1929	Incr.
December	$	$	$
Gross	215,102	205,739	9,363
Expenses	72,334	73,054	* 720
Net	142,768	132,685	10,083
3 months			
Gross	620,387	584,685	35,702
Expenses	225,954	202,391	23,563
Net	394,433	382,294	12,139

* Decrease.

Bond Tenders

Jan. 24, Municipality of Low—$62,000, 5 per cent, 15-year serial bonds. R. Wilkie, sec.-treas.

7.30 o'clock, Feb. 2, Town of Jonquiere, Que.—$100,000, 5 per cent, bonds redeemable serially from Oct. 1, 1931 to Oct. 1, 1960. Capital and interest semi-annually, 1st April and October, payable at any offices of Banque Canadienne Nationale, in Province of Quebec. Purpose of the loan: Rebuilding of a dam on the Riviere au Sable, etc. J. M. Lacroix, clerk.

7 p.m., Jan. 26, Stouffville, Ont.—$62,000, 5 per cent debentures, due in 20 equal annual installments. Payable in Stouffville. Population, 1,070; assets, 1930, $114,103; debenture debt, $45,583, net debt $81,150; assessment, $601,080. J. S. Dougherty, treasurer, Stouffville, Ont.

Saskatchewan authorizations granted by the local government board from Dec. 30 to Jan. 5:—Rural Telephone Companies: Pilger R. T. Co., $1,550; East Borden R. T. Co., $500; McLaren R. T. Co., $6,000.

BRITISH COLUMBIA

The following certificates have been issued by the municipal department of the Province of British Columbia upon the following dates:

Sept. 6, 1930—District of Summerland: "electric light loan;" $5,000 payable in 15 years, interest at 5½ per cent.

Sept. 13—Township of Richmond: "waterworks loan;" $400,000 payable in 25 years, interest at 5 per cent.

Oct. 17—District of Coquitlam: "Lebleu Road local improvement;" $544.54, payable in 10 years, interest at 6 per cent.

Oct. 27—City of New Westminster: "Local improvement debenture consolidation;" $17,767, payable in five years, interest at 5 per cent.

Oct. 28—District of Maple Ridge: "Local improvement;" $2,500 payable in 20 years, interest at 5 per cent payable half-yearly, and $234.47, payable in 10 years with interest at 5 per cent.

Nov. 6—District of Summerland: "Irrigation storage loan;" $22,000, payable in 25 years with interest at 5 per cent.

Nov. 11—District of West Vancouver: "waterworks construction, reconstruction and extension money by-law No. 449, 1930," by-law No. 449, $165,000, payable in 30 years with interest at 5 per cent.

Nov. 20—City of Port Alberni: "waterworks loan by-law," $60,000, payable in 30 years with interest at 5 per cent.

Nov. 24—District of Burnaby: Major Roads loan, $195,000, payable in 15 years with interest at 5 per cent.

Dec. 16—District of Coquitlam: "Street improvement," $10,000, payable in 10 years with interest at 5 per cent.

Dec. 17—City of Kamloops: By-law No. 638, $9,500, payable in 20 years with interest at 5 per cent.

Dec. 17—City of Kamloops: By-law No. 639, $10,500, payable in 20 years with interest at 5 per cent.

Dec. 19—District of West Vancouver: marine drive money by-law, $25,000, payable in 20 years with interest at 5 per cent.

Dec. 22—City of Port Moody: waterworks, $12,000, payable in 30 years with interest at 5 per cent.

Jan. 3—City of North Vancouver: street improvement and construction loan, $50,000 payable in 20 years with interest at 5 per cent.

Jan. 3—City of North Vancouver: waterworks loan, $25,000, payable in 20 years with interest at 5 per cent.

Interest in each case is payable semi-annually.

GAIN IN SURPLUS OF LAURA SECORD TO DECEMBER 31

Company's First Quarterly Financial Statement Shows Gratifying Improvement

Laura Secord Candy Shops first quarterly financial statement shows the liquid position of the company enhanced, its surplus increased after paying preferred and common divinends and apparently a larger earning power for the first quarter of the present fiscal year ending Dec. 31, 1930, than for the average quarter of the year ending Sept. 30, 1930.

The surplus on Sept. 30, 1930, was $788,427 and three months later was $873,492, after quarterly dividends, an increase in the period of $85,065, whereas the surplus for the whole preceding year had been $208,181. As the quarter under review includes the Christmas season, this increase over the average is not dependable as a method of judging the likely results for the year ending Sept. 30, 1931. The company no longer publishes its monthly sales totals.

WORKING CAPITAL

	Dec. 30 1930	Sept. 30 1930
	$	$
Current assets	1,468,932	1,357,594
Current liabilities	70,310	64,594
	1,398,622	1,293,000
Ratio	20.89—1	21.01—1

ANNUAL
Stock Folder
We have just issued our annual folder showing representative stocks listed on the Montreal and New York Exchanges. It shows the amount of stock outstanding, the dividend rate and dates of payment, the high and low for the past five years and the yield at December 31st, 1930.
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Members Montreal Stock Exchange
Members Montreal Curb Market
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HArbour 6101*

A Ready Record of Investments

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Depressions come but prosperity follows
The 1930 depression was no novelty. Similar periods of stagnation have occurred before. And every depression has found a few wise investors who made substantial profits by buying sound stocks towards the close and selling them on a rising market. No less an international economist than Sir Josiah Stamp has said that he expects the tide to turn about April, 1931. If this is so, the time to buy sound stocks is now, before prices begin to creep upward.
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NINETY-NINTH ANNUAL REPORT OF The Bank of Nova Scotia

THE BANK OF NOVA SCOTIA INC.D AD 1832

CAPITAL PAID UP - $12,000,000
RESERVE FUND - - $24,000,000

PROFIT AND LOSS

Balance December 31st, 1929	$1,465,842 89
Net Profits for year, losses by Bad Debts estimated and provided for	2,535,643 52
	$4,001,486 41
Dividend for year at 16% per annum	$1,836,207 29
Dominion Government Tax on circulation to December 31st, 1930	115,448 14
Contribution to Officers' Pension Fund	115,000 00
Written off Bank Premises Account	400,000 00
Transferred to Reserve Fund	1,000,000 00
Balance carried forward December 31st, 1930	534,830 98
	$4,001,486 41

RESERVE FUND

Balance December 31st, 1929	$20,000,000 00
Premium on New Stock	3,000,000 00
Transferred from Profit and Loss	1,000,000 00
Balance forward December 31st, 1930	$24,000,000 00

GENERAL STATEMENT AS AT DECEMBER 31st, 1930

LIABILITIES

Capital Stock paid in		$12,000,000 00	
Reserve Fund		24,000,000 00	
Balance of Profits, as per Profit and Loss Account		534,830 98	
Dividends declared and unpaid		480,247 93	
			$37,015,078 91
Notes of the Bank in circulation		13,967,346 72	
Deposits not bearing interest	$ 33,272,194 57		
Deposits bearing interest, including interest accrued to date	166,770,062 30	200,042,256 87	
		214,009,603 59	
Balances due to other Banks in Canada		3,348,622 93	
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries		2,471,674 21	
Bills Payable		504,354 21	
			220,334,254 94
Letters of Credit outstanding			5,455,771 09
Other Liabilities not included in the foregoing			310,556 58
			$263,115,661 52

ASSETS

Current Coin	$ 9,503,865 91
Dominion Notes	14,690,183 00
United States and other foreign currencies	1,401,982 32
Notes of other Banks	1,094,638 35
Cheques on other Banks	11,085,355 04
Balances due by Banks and Banking Correspondents elsewhere than in Canada	4,858,283 10
	42,634,307 72
Deposit in the Central Gold Reserves	3,500,000 00
Dominion and Provincial Government securities, not exceeding market value	25,636,966 80
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	10,986,542 59
Railway and other bonds, debentures and stocks, not exceeding market value	12,129,111 82
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	30,813,116 18
Call and short (not exceeding thirty days) loans elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	7,298,059 95
	132,998,105 06
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	99,755,787 26
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	16,114,326 42
Liabilities of Customers under Letters of Credit, as per contra	5,455,771 09
Real Estate other than Bank Premises	63,221 42
Non-current loans, estimated loss provided for	151,362 03
Bank Premises at not more than cost, less amounts written off	7,864,734 58
Deposit with the Minister of Finance for the purposes of the circulation fund	530,231 01
Other assets not included in the foregoing	182,122 65
	$263,115,661 52

S. J. MOORE, PRESIDENT. J. A. McLEOD, GENERAL MANAGER.

Auditors' Report to the Shareholders:

We have examined the above General Statement of Liabilities and Assets as at December 31st, 1930, and compared it with the books at the Chief Office and with the certified returns from the Branches. The Bank's investments and cash on hand at the Chief Office and at the Toronto and Montreal Branches were verified by us at the close of business on December 31st, 1930. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We certify that in our opinion the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

D. McK. McCLELLAND, F.C.A. of Price, Waterhouse & Co.
W. D. GLENDINNING, C.A. of Riddell, Stead, Graham & Hutchison
} Auditors.

Toronto, Canada, 15th January, 1931.

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TELEPHONE ELGIN 9274

Summmary of Earnings

A brief analysis of common stock earnings per annual statement received since last week's issue. Earnings per share are only shown when depreciation and income tax have been deducted; no calculation is made when profit is before these items. The market price used in yield etc., is that of the close on Tuesday this week, or last sale. Company name in bold type indicates listed stocks.

Company	Year end.	Net Income 1930	Net Income 1929	Common share earnings 1930	Common share earnings 1929	Mkt. Times Earn.	Curr. divd.	Surp. after Dividends 1930	Surp. after Dividends 1929	Mkt.	Yield
		$	$	$	$	$	$	$	$	$	%
Canada Life Ass.	Dec. 31	*13,803,490	*16,293,920	...	...	...	20	...	...	...	...
Can. Perm. Mortge.	Dec. 31	989,516	1,058,271	14.14	15.12	14¾	12	149,516	218,271	208	5.77
Cent. Can. Loan & S.	Dec. 31	392,634	453,151	15.71	18.13	19	12 3	17,634	78,151	300	5.00
Dominion Bank	Dec. 31	†1,029,669	1,037,523	14.71	14.83	15	12 1	69,675	102,257	222	5.86
Gr. Buffalo Theatres	Dec. 31	‡15,991	‡12,689	...	...	...	..	‡...	‡...	...	...
Gurd, Chas. & Co.	Dec. 31	196,837	207,645	2.95	3.11	9	2	56,637	66,645	27	7.41
Imperial Life Ass.	Dec. 31	*4,872,372	*6,425,405	...	...	...	15	...	...	...	...
Toronto Mortgage	Dec. 31	120,185	110,877	6.16	7.65	17½	6	15,290	23,931	108	5.7

‡Deficit. Dividends on preferred stock in arrears 50 per cent.
*After dividends and bonus additions to policyholders.
†After depreciation of $200,000, as against $300,000 in 1929.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Port Colborne, Ont.	Jan. 19	H. R. Bain & Co.	5%	30-ins.	$113,803	99.317	5.06
Three Rivers, Que.	Jan. 19	Banque Canadienne Nationale, Ernest Savard & Co., Credit Anglo-Francais Ltd., Harris, McKeen & Co.	5%	30-ser.	478,500	97.63	5.17
Forest Hill Village, Ont.	Jan. 19	Dyment, Anderson & Co.	4½%	30-ins.	250,000	94.461	4.99

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Foreign Shares Corp.	Jan. 13	J. E. Drain & Co.	Part. pref.	....	25,000 shs.	8.25	...

THE FINANCIAL POST

Member Audit Bureau of Circulations

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Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editor—FLOYD S. CHALMERS

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TORONTO, JANUARY 22, 1931

PUBLIC MONEY SPENT ON COMMUNISM

THE FINANCIAL POST, quoting from the Manitoba Wheat Pool organ last week, stated that the pools are spending the farmers' money to spread communism. Perhaps we should have pointed out that it is no longer farmers' money they are spending. What they are spending now is public money, money to be furnished by the people of Canada.

Reference to the balance sheet of the Manitoba Wheat Pool as at July 31 last shows this item, listed as an asset:

Pool overhead, 1929-30 .... $227,008.64
(See report).

To explain how overhead expense can be an asset the auditors' report states that "since July 31, 1930, the amount of the overhead for the year has been charged to and paid by Canadian Co-operative Wheat Producers Ltd." The balance sheet of the Central Selling Agency, dated August 31, contains this item:

Due from provincial pools:
Advances to provincial pools in respect of administrative expenses $1,229,344.14

From other sources it is learned that the Saskatchewan Pool got $723,171.83 by the same means, which is presumably included in the above total and the balance, it must be presumed, went to Alberta.

The Manitoba Pool then got its $227,008.27 from the Central Selling Agency, who got it by borrowing from the banks, who furnished it on the guarantee of the Provincial Government, who will shortly be called on to pay the amount, together with some millions of dollars additional.

When the provincial governments gave their guarantees to the loans of the Central Selling Agency it was stated to be for the object of protecting the wheat market from any selling of the wheat that might be forced by the banks. Just when or how it was extended to cover providing money for the various activities of the wheat pools, including the manufacture of propaganda, will possibly be disclosed later. These are some of the amounts included in the total of $227,008. (The Saskatchewan Pool is more reticent, and does not disclose how it spent its money).

Dept. of education and publicity . (Including publication of Scoop Shovel and radio broadcasts).	$24,000.00
Scoop Shovel subscriptions	9,720.50
Admin. & promotion exps. .... (Including $30,348.03 for salaries and expenses of field service).	70,570.89

The Manitoba Government will shortly have to appropriate funds, not only to cover losses on pool marketing of wheat, but for salaries, for publicity and promotion. It will have to provide for all those prosecutions of wheat pool members, for attempts to evade their contracts, which were undertaken last year.

If the Manitoba legislators want to know how the money went they have only to read the reports in the Scoop Shovel. The Saskatchewan House, in the absence of printed information, will have to ask for it, if members are interested. But it should not escape their attention that they will be providing money to replace funds paid over to the United Farmers of Canada, Saskatchewan Section. Only $10,000 so paid is mentioned in the Saskatchewan pool report, as being given up to July 31, but the directors indicated their desire to make further payments. Perhaps the Saskatchewan Legislature will find out if such payments have been made, and if the current activities of that organization are being financed on funds so obtained.

This information is commended to the attention of the Prairie Governments, with the suggestion that they consider carefully where the responsibility lies for the use of public money spent by the Western provincial pools. It is commended to the chartered banks, with an enquiry as to their right to advance money under government guarantees for the purposes shown. It is commended to the taxpayers of the Western provinces, who, when their taxes go up, will at least be glad to know how the money has been spent. And it is commended to the directors of the Western pools with the enquiry, to put it in the gentlest possible terms, whether or not they realize whose money it is and where it is coming from, that they now spend so freely on propaganda that includes communist propaganda.

QUARTERLY REPORTS OF COMPANY PROFITS

THE amount of information that Canadian stock exchanges require of companies listing their securities is much greater than the average investor realizes. The listing papers of the Montreal Stock Exchange and the Toronto Stock Exchange are comprehensive documents that leave out very little of the past history of a company approaching the exchange for the listing of its securities. These exchanges from time to time make their regulations even more rigid and require from companies not only that annual reports be published but that various data, compiled throughout the period intervening between annual reports, be published. In the interests of investors, though, the exchanges should go further and require of all companies whose securities are listed at any time in the future that quarterly earnings reports, in approved form, should either be sent direct to shareholders or be published.

There are some companies that will resist this tendency and it is not to be expected that all of those corporations whose shares are now listed, and that therefore cannot be subjected to new requirements not now in their contract with the exchanges, will follow the example so set.

The New York Stock Exchange, in adopting the quarterly earnings rule, met with numerous objections. Some companies state that published quarterly reports contend to misinform rather than inform; for example, certain department store organizations claim that by special sales the earnings of any one quarter could be artificially boosted and that it is better to issue earnings figures over larger periods.

Some companies, too, claim that the disclosure of their earnings gives an unfair advantage to competing companies whose securities are not listed and who do not make quarterly reports. Still another objection has sometimes arisen from companies doing a necessarily seasonal business where earnings for perhaps two or three quarters might run in red ink and be counter balanced by very large earnings in the remaining quarter or quarters.

All of these objections and others will be raised in Canada. To all of them, the answer can well be made that the chief danger in the stock market is not information—no matter how unfavorable it may seem—but misinformation or lack of it, which permits all sorts of wild and uncontrolled rumors to run. The tendency of modern business is for companies having contact with the investment public to make as much information available as possible. This stabilizes the market more than it can ever upset it.

Despite all of the objections noted, American companies listing their securities on the New York Stock Exchange are gradually swinging into line and few large companies now deny quarterly earnings figures. It is a development that ought to be speeded up in Canada.

IMMIGRATION NOT DEAD SUBJECT

ONE of the policies now popular with those in control of Canadian affairs as a manner of bringing prosperity to Canada is to curtail immigration and development programmes that have as their objective the placing of new citizens in Canada. It is courageous just now in Canada to suggest even that Canada could provide opportunity for a much larger population than it now has.

C. L. Burton, president of the Robert Simpson Company, in visualizing in a public address a population of 35,000,000 people in Canada within 25 years, ventures to differ with the present policy of virtual immigration exclusion. Mr. Burton does not suggest that people be brought to Canada hit or miss at public expense and allowed to drift after they get here. But he argues that it would be proper for the Federal and Provincial Governments to pledge their credit to foster development projects that would establish whole new communities in Canada. The primary aim would be to encourage the return of expatriated Canadians in the United States, then to bring in Americans, Britishers and Europeans who would make useful Canadian citizens.

Mr. Burton has no specific plan to offer. Most specific development plans offered by public speakers are visionary and impractical and Mr. Burton avoids this danger. His views are chiefly notable for indicating that there is a cross section of business opinion in Canada that does not believe that apathy in immigration is desirable or likely to lead to the development of greater prosperity for those now living in Canada.

Immigration is by no means a dead subject and we may find it necessary in the next few years to revise governmental policies in regard to it.

WEST NOT COMMUNIST

PRIME MINISTER BENNETT, in his Toronto speech this week, made pointed reference to those active propagandists in the West who are threatening secession and who are generally misrepresenting the Western farmer by making it appear that the West is communistic in viewpoint. Mr. Bennett does well to make it clear that the Western farmer is a conservative, business-like individual who is out of sympathy with many of the people who are doing most of the talking for him at the present time.

Some people, Mr. Bennett pointed out, allowed their farms to get so weedy that they could not make a profit out of them and discovered that there was more profit to them in attempting to farm the farmer than to farm their weedy farm acres.

Yet, as was pointed out in The Financial Post last week, the radical Western propagandists find little difficulty in getting their statements published on the front pages of Eastern newspapers. Men who were failures as farmers find themselves quoted as spokesmen of successful farmers.

The real Western viewpoint on public affairs is a sound viewpoint and it would be unfortunate if the constant stream of propaganda from subversive organizations were to create any other impression.

"44 YEARS WITHOUT LOSS TO ANY INVESTOR"

FAILURE of various enterprises promoted by G. A. Stimson and Company, self-styled as "the oldest bond house in Canada," has not been unexpected by readers of The Financial Post. Ample and frequent warning concerning the promotions of this company has been given in these columns. Promises are now held out by representatives of the promoters that the bankruptcy proceedings will, in the end, find the investors in a good position as there are assets sufficient to protect all investments in the Stimson enterprises. These assurances should not arouse false hopes: Losses to investors can not be avoided and shareholders and debenture holders should prepare their minds for disappointing final reckoning.

OBSOLETE CAR LINES

THE British Royal Commission on Transportation has found that tramways are an obsolete form of transportation. While urban street car systems still serve a useful purpose in cities of a certain size in Canada, it has been conclusively demonstrated that interurban or radial electric lines have passed their period of usefulness. Highway transportation has made them obsolete.

Yet between 1920 and 1924, Sir Adam Beck and a political group in Ontario endeavored, by every means in their power, to foist on the people of Ontario a scheme to invest collossal sums in a system of hydro-electric radial railways. The scheme was fought by The Financial Post which was bitterly assailed for its attitude; later, the Drury government put the quietus on the scheme and thus made one constructive move at least in a period of office that was not generally marked by high statesmanship.

The thousands of columns of radial propaganda that filled the columns of many Ontario newspapers in 1920 and subsequent years, today stand as a monument — happily buried in dusty bound volumes—to a stubborn political determination to ignore obvious economic trends.

EDITORIAL NOTES

Isaac F. Marcosson, special writer of the Saturday Evening Post, is in Canada this week. Mr. Marcosson's last series of articles on Canada, published about three years ago, provided the Dominion with well written, thoroughly fair publicity.

* * *

Chairman of the deHavilland Aircraft Company reported at the annual meeting in London that business conditions in Canada are worse than they are at home. But depression in Canada has been of short duration and will not last long. Depression in Britain has continued for an unprecedented term of years and the end is not in sight.

* * *

While the appointment of politicians to the Canadian National Railways directorate is at any time to be deplored, it nevertheless remains true that if Mr. Bennett, during his term of office, were to appoint to the board some business man known as a genuine Liberal, he would indicate that he has no desire to make the board purely a Conservative one. If Mr. Bennett were by some such action to demonstrate that in his opinion, the C. N. R. directorate does not necessarily have to be of the political flavor of the party in power, the next government that succeeds Mr. Bennett's might take the hint and maintain the C. N. R. directorate as a continuing institution.

* * *

Those who expected Mr. Bennett, in Toronto, to make some announcement regarding what the government has done to ensure orderly marketing of the 1930 wheat crop, were disappointed. But what Mr. Bennett takes pains to conceal is an open secret, namely, that the Federal government has guaranteed wheat pool loans on the 1930 crop. In fact, Morris W. Wilson, general manager of the Royal Bank of Canada, confirmed previous statements in The Financial Post to this effect, when he said at the annual meeting of his bank:

"At home there has been much discussion regarding credits extended by the banks to the wheat pools. You should be informed that, while such loans run into substantial figures, they are on an unquestionably safe basis, being secured not only by grain, but by government guarantees that effectually preclude the possibility of loss to the lending banks."

* * *

Last week it was denied that the Imperial Tobacco Company was planning to absorb MacDonald's. In an editorial comment in this column, it was stated that "the public are suspicious of monopoly so long as Macdonald's, H. Simon and Sons and other concerns are in business." This rather ridiculous statement is, of course, quite unfair to these firms and it appeared as the result of the compositor dropping part of the sentence. What it was intended to say, and what The Financial Post believes, is that the public are suspicious of monopoly and that so long as Macdonald's, H. Simon and Sons, L. O. Grothé, Rock City Tobacco Company, and other independent tobacco firms are in business and giving competition to Imperial Tobacco Company, the latter can not justly be called a monopoly.

Why European Countries Raised Tariff on Wheat

Editor's Note. In the following letter the chief publicity officer of the Canadian Wheat Pools denies that tariff increases on wheat, put into effect by European countries, were in any way dictated by the fear of large producers' selling organizations.

The Financial Post recognizes, and has stated in its articles on wheat, that the financial condition of European countries partially dictated their tariff policies, but it feels that Mr. MacLeod underestimates what was also a factor—antagonism toward what were believed to be attempts to hold up the European consumer. As evidence of this we may perhaps quote Mr. Macleod's own associates.

D. L. Smith, formerly European sales manager of the Canadian pool stated at the International Wheat Pool Conference in 1926: "I must admit I am somewhat alarmed over the publicity that has been broadcast regarding this conference . . . It is against our interest to stir up agitation in Europe."

George W. Robertson, secretary of the Saskatchewan Wheat Pool at the same meeting, referred to a conference called by Mussolini to encourage Europe to grow more wheat. Mr. Robertson said: "In my opinion this conference was called to consider way and means to meet the bogey of a world-wide pool."

The policy of European countries to attempt self-sufficiency in wheat growing had two bases, the fiscal and financial need, referred to by Mr. Macleod and mentioned in articles in The Post, and the attempt to meet the threat of domination of producers in wheat exporting countries.

That both factors play their part in the wheat regulations of European nations is shown in an editorial in the current issue of the Northwestern Miller which states:

"It is an anomalous circumstance that just now, when wheat is selling at an almost unprecedentedly low price, its consumption is being so widely restricted by high rates of duty, mixing requirements and other political regulations. Actually the world's "best and cheapest food," it is almost everywhere being regarded as a luxury and its use made subject to interference. **This situation is, of course, due to a combination of resentment of price enhancement activities of surplus producing nations and to the necessity of importing countries limiting their outflow of gold.** Neither reason probably would be sufficient in itself to cause the virtual prohibition of wheat bread eating; in combination they threaten to suspend the market for the surplus wheat crops of the world."

Editor, The Financial Post:

In the series of attacks upon our organization which have appeared from time to time in your publication, there is one charge so absurd that it is surprising that even The Financial Post should credit it and should repeat this silly statement in your most recent bombardment in your issue of January 15th.

The charge is briefly that in recent months European countries have developed a sense of fear of large producers' selling organizations as exemplified by the Canadian Wheat Pools; and that the European reaction to this "fear" has led to the raising of duties against wheat and to an effort in European countries to produce enough wheat to become self-sufficient in that commodity.

The fallacy of this viewpoint is quite evident to anyone with even a remote knowledge of the present wheat situation. Since the war, and more particularly during the past three years, European countries have, in view of the financial situation and economic conditions within their own borders, taken radical steps to protect their industries by a general upward revision of tariff duties, applicable to manufactured goods as well as agricultural products. In other words, protective measures have been adopted against a wide range of imported commodities including manufactured articles and agricultural products.

It should be evident to anyone that it is unfair to single out wheat as being subject to discriminatory tariff legislation when duties have been applied to other commodities as well. The general advance in European tariffs is a matter of concern in Europe at the present time, and is a topic of conversation sponsored by the Economic Section of the League of Nations in an attempt to halt the tendency toward higher tariffs and general trade restrictions. It is clear therefore that the duties on imported wheat are simply part and parcel of a European protectionist movement and cannot be considered seriously as an isolated case.

Whatever tariff increases have been made in Europe have been made for one purpose only—the protection of domestic industry and the protection of the domestic market; identically the same motive that is behind the recent tariff increases in the United States and Canada. In so far as European countries have protected themselves from importation of manufactured commodities, there has been no startling complaint by The Financial Post. When the same protection has been afforded to the agricultural industries of Europe, an attempt has been made by certain interests in Canada to attribute the tariff increases, not to internal economic policies, but rather to the development of producers elsewhere.

European import duties against wheat have been established purely for the protection of the agricultural industry of various continental countries; and the sole object of such tariffs has been the maintenance of a profitable price level for European wheat producers. The duties are, therefore, primarily a measure directed against the menace of low prices and against the trend of the world wheat market to price levels that render wheat production unprofitable. In so far as European countries are normally importing countries with reference to wheat, they have been partially successful through the maintenance of tariff duties in securing higher prices for their own producers and in creating a domestic price level considerably higher than that governing upon the Liverpool market.

The only way in which importing countries could possibly "fear" producers' organizations would be concerned with attempts to hold up prices and increase the cost of wheat to the consumer. In the first place, this has not been the policy of any co-operative wheat marketing organization functioning at the present time.* The policy of existing co-operative grain marketing organizations is to narrow the spread between prices paid by the consumer and prices received by the producer with beneficial results to both parties.

That European countries have increased their tariff duties on wheat for the sole purpose of protecting their domestic agriculture, and that these same countries have not been alarmed over an increase in the cost to the consumer and a lowering of the quality of bread, is evidenced by the fact that domestic prices on the Continent have been maintained at a relatively high level. On January 2nd, 1931, wheat growers in France and Germany were receiving approximately $1.80 a bushel for wheat, and it has just been announced by the French Government that the price of wheat in France is to be increased to over $1.90 per bushel. On the date mentioned, Canada's prices were slightly over fifty cents a bushel basis Port Arthur and Fort William, and Canadian wheat was quoted at seventy cents a bushel in Liverpool. These facts show clearly that European governments are making a determined effort to protect their own wheat producers and give them a satisfactory price for their grain. Through the enactment of tariffs, France and Germany have succeeded in raising their domestic prices more than one dollar a bushel above the international price level as established at Liverpool.

Although we regard Europe as primarily a consuming market, nevertheless, European countries are not prepared to stand by and see their domestic grain prices fall to the levels at which Canadian farmers have to sell their wheat at the present time. European countries are strenuously fighting the menace of low wheat prices which will not yield a fair return to producers either in Europe or in exporting countries.

W. A. MACLEOD.

Winnipeg,
Jan. 17, 1931.

*Editor's Note. Mr. Macleod could perhaps explain why the publicity department of the Saskatchewan pool, in 1929, when prices were high and practically no wheat was being sold by the Canadian pool, stated that "It is the attitude and stand taken by the Canadian wheat pool which has held the price of Canadian wheat to its present level in the face of the serious congestion in domestic storage warehouses," and why, when Henry Wise Wood, father of the wheat pools, discussed the world pool in 1926, he said "United States, Canada and Australia can raise the price of wheat at least fifty per cent above the level of the price that has maintained."

New Books

Quebec Year Book, 1930

The Quebec Bureau of Statistics has published the French edition of the Quebec Statistical Year Book for 1930. This volume, the seventeenth of the series, constitutes a most valuable source of official information concerning the population of the Province of Quebec and its activities.

The main divisions of the Year Book vary but little; each year, however, new sections are added and others modified. Amongst the principal additions inserted in the 1930 edition mention must be made of a synopsis of the repatriation movement among Franco-Americans and a review of the Quebec Liquor Commission's operations since 1921. For the first time also, the Year Book contains a summary of fire losses in the Province. The sections concerning public charities, provincial finances, the dairy industry and fisheries have been modified as well.

The Quebec Year Book is distributed free of charge to newspapers, publicity bureaus, teachers, public and school libraries, industrial and financial concerns, religious institutions, clubs, literary societies, professional men and, in general, to persons who are called upon to serve public interests.

The editor is G. Lemonde.

"Our Mysterious Panics"

The recent serious depression in finance and business has naturally aroused interest in previous panics. Charles Albert Collman, in a new book entitled "Our Mysterious Panics 1830-1930," has made a study of most of the previous panics in the United States. His work is less a study of the fundamental economic factors involved than a picture of the various men involved. He is of the opinion that the major panic is not an economic development but that it is due to human agencies.

While Mr. Collman, in dealing with previous panics, uses the names of the individuals involved, in dealing with the 1929 episodes he disguises the names in pseudonyms which are, however, thinly veiled and it is not difficult to recognize some of the men he has in mind.

The book is not a deep study of the subject, and Mr. Collman's deductions and suggested remedies for present bad conditions would hardly attract the attention of outstanding business leaders. It is more a human document, a magazine story. Mr. Collman is a reporter rather than an economist.

"Our Mysterious Panics" is published by Wm. Morrow & Company, 386 4th Ave., New York.

Other People's Views

Grading Will Do It

St. Johns (Nfld.) News. — Yesterday we noticed a wagon filled with sacks of potatoes bearing the label "Product of Canada, grown in P. E. I." Buying these potatoes will not help the trade of Newfoundland anywhere near as much as buying Newfoundland grown potatoes would.

It would take some trouble on the part of the dealer to buy and sell Newfoundland potatoes which are ungraded; but it cannot be expected that the consumer will heed appeals to buy unless the dealer also is ready to sacrifice some effort on his part.

Stop Me If You've Heard This One

Young Angus had been out for the evening with his best girl. When he arrived home, he found his father still sitting up. The old man looked up and shook his head.

"Hae ye been oot wi' yon lassie again?" he asked.

"Aye, dad," replied young Angus. "Why do ye look sae worrited?"

"I was just wonderin' how much the evening cost."

"No more than half a croon, dad."

"Aye? That was no sae much."

"It was a' she had," said Angus.

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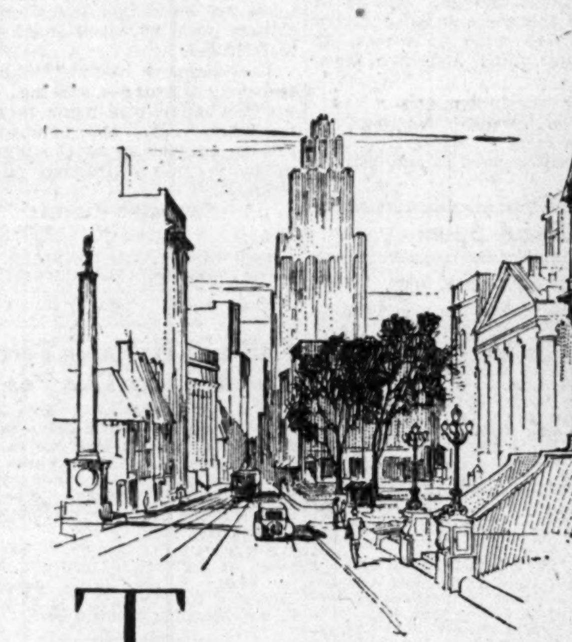
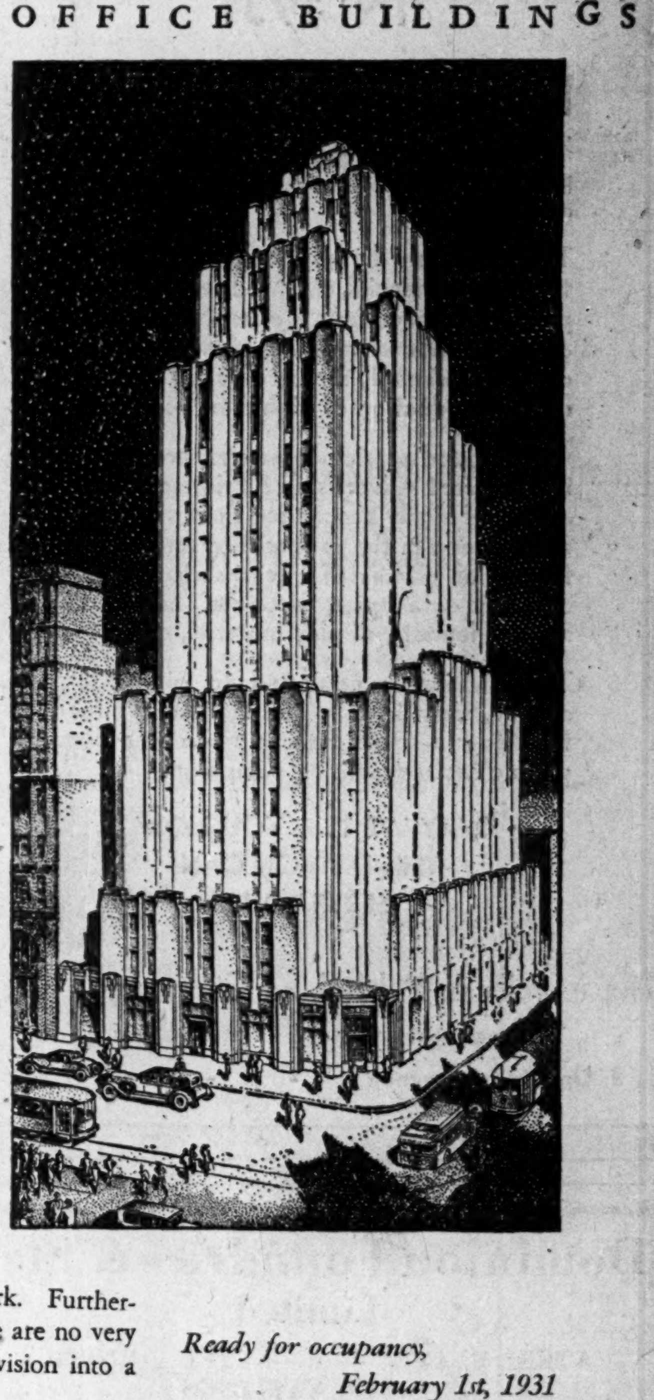
PRE-EMINENT AMONG OFFICE BUILDINGS





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Business Conditions in Canada

FARM MACHINE EXPORT MARKET GAINED IN 1929

Industry Had Good Year; Exports in 1930 Down 43 Per Cent

A slight decrease in total value of production, with substantial increase in exports and a decrease in imports, is shown in the report of the agricultural implement industry for 1929 just issued by the Dominion Bureau of Statistics. Production value dropped to $40,659,479 or 1.3 per cent below the 1928 total of $41,199,841. Imports declined over 20 per cent to $31,845,326 while exports, including re-exports of foreign made goods increased some 38 per cent to $20,118,978.

The most recent figure of exports and imports of agricultural implements show that imports have continued to fall off sharply during 1930 while exports have shown a decrease of some 43 per cent. In the 12 months ended November 30, 1930, imports of farm implements amounted to $22,220,284 or 31.5 per cent below the total of $32,421,300 brought in during the 12 months ended November 30, 1929. Exports have decreased to $11,256,769 from $19,811,516. Exports to the United States have been more seriously affected than those to Great Britain while the percentage decline in imports remains approximately the same from both countries.

Exports Increased in 1929

Of the total of $31,845,326 imported during 1929, $31,329,541 came from the United States as compared with $39,381,051 in 1928. Imports from Great Britain, Germany and France, while negligible, showed substantial percentage increases over the previous year. Exports increased to Argentine, France, British South Africa, Russia and the United States. Russian purchases amounted to $1,835,724 as compared with $905,203 in 1928. Exports to France showed the largest percentage gain with $851,050 compared with $390,411 in 1928. Shipments to the Argentine advanced 86 per cent to $5,818,276 to surpass exports to any other country including the United States which received $5,407,888 as against $3,580,886 in 1928.

The number of firms operating in 1929 decreased by four to 62 which employed capital of $103,356,773, an increase of some $12,200,000 over 1928 and considerably in excess of the capital used in prior years. The average number of employees was 11,408 and salaries and wages amounted to $14,775,889 compared with 10,867 employees who received $13,599,953 in 1928 and 11,011 employees receiving $13,315,500 in 1927. Cost of materials at works was $19,016,981, some $300,000 below that of 1927 when value of production was $42,996,288. Value added by manufacturing in 1929 was $21,642,498.

Of the 62 firms in the industry, 39 were located in Ontario, 12 in Quebec, 5 in Manitoba, 4 in Alberta, 1 in Saskatchewan and Prince Edward Island. The products made included harvesting machines valued at $10,600,284; tillage implements such as plows, harrows and cultivators, $8,406,567; planting and seeding machines, $6,490,084; dairy equipment, $1,888,741; haying machines, $1,466,087; miscellaneous parts and accessories, $3,087,509, while grain binders decreased in value of output from $4,657,612 in 1928 to $4,068,319 in 1929, the value of reapers, threshers and combines increased to $6,387,573 from $4,612,099.

Spring Orders Give Impetus to Industry

	Canada	United States
Commodity Prices:	Wholesale price index at 72.6 on December 1 was lowest since 1915.	Recent firmness in evidence. Gains and losses largely balance.
Iron and Steel:	C. N. R. orders 34,000 tons of rails in the Maritimes.	Demand is moderately stronger; plants working at 41 p.c. of capacity.
Foreign Trade:	December exports down 24.5 p.c., imports, 28.3 p.c. from 1929 figures.	Imports down 30 p.c.; and exports 26 p.c. in first 11 months of 1930.
Car Loadings:	Week ended January 10 shows seasonal gain but drop of 15.3 p.c. from 1930.	Loadings of all commodities lower than in same week of 1930 and 1929.
Employment:	Manufacturers prepare for spring trade; industrial demand slightly greater.	December employment level less than 2 p.c. below November.
Stock Markets:	Prices work fractionally lower. Volume is small.	Trading range generally narrow with trend slightly downward.
Credit:	Latest data shows continued ease. Some improvement in demand.	Bank clearings 24.5 p.c. under volume a year ago.
Week's Highlight:	Feeling persists that change for better is imminent within next few months.	Strength in steel, copper and wheat prices regarded as possible indication of definite turn in price trend.

New Preliminary Index Shows Business Volume Still Lower in December

Eighteen Factors Give Financial Post Readers Trend of Physical Volume of Business a Full Week Earlier Than Heretofore

By SYDNEY B. SMITH

Measured by a new preliminary index of business operations in Canada, prepared especially for The Financial Post, the decline in activity apparent during the latter half of 1930 was continued in December. During the first half of the year, the output of Canadian industry was well maintained at a moderate level. The relatively good showing during the early months of the year led to the hope that the 12 months would pass with nothing more than a minor reaction. These hopes were entirely dashed in the last half of the year, when contraction was fairly general among the industrial enterprises of Canada, resulting in a major depression.

The conclusion in regard to the downward trend in December was reached by a special compilation based on eighteen factors. It was thought that in view of the keen interest in the current trend of business operations, a preliminary statement would be very much appreciated by Canadian business executives.

Uses Everything Available

The procedure consisted in selecting as many factors as were available within a short time after the end of the month to which the statistics apply. These factors were expressed as a percentage of the monthly average from 1919 to 1924 and weighted according to their relative importance measured by the volume of output during the base period for raw materials, and by the value added by the manufacturing process in the case of finished products.

During December eight factors out of the eighteen showed increases, while one was unchanged. The exports of nickel were 7,014,000 pounds compared with 4,787,200 pounds in the preceding months. Shipments of gold were 185,800 ounces, compared with 154,400 in November, and silver showed a marked increase over the low point of November. Exports of zinc showed a decline, while the shipment of high-grade asbestos to external markets was in heavier volume.

Milling Industry Improves

In the last month for which statistics are available, the operations of the flour milling industry showed a moderate decline, but the output in the latter half of 1930 was at a much higher level than in the same period of 1929. Production of flour in October was greater than in any month for about two years. The sugar industry has also showed improvement in the latter half of 1930. The volume of production was greater in the last four-week period for which statistics are available. It is also noteworthy that domestic shipments in the 11 month period from January 1 to November 29, 1930, were nearly 854,000,000 pounds compared with 826,000,000 pounds in the same period of 1929. Total shipments were 877,000,000 pounds compared with 856,000,000 pounds in the eleven months of the preceding year.

After adjustment for seasonal tendencies the exports of lumber were at a slightly higher level than in November. The lumber industry is markedly affected by the adverse influence of business depression, low levels of operation being in evidence during the latter part of 1930. The output of newsprint in December reached a new low level for the year, the production being 184,755 tons, compared with 201,703 tons in November. The output is normally less in December than in November, but in the present comparison the decline after adjustment was nearly 5 per cent.

Iron and Steel Recedes

After showing substantial improvement in November, the output of the primary iron and steel industry showed recession in December. Production of steel ingots and castings was 56,101 tons compared with 71,740 tons in November, and pig iron was 38,293 compared with 46,360 tons. The gain in the output of automobiles was just equivalent to the normal increase for the season. The adjusted index was consequently unchanged in the month under review. While carloadings were at a relatively moderate level in December, the gain over the preceding month after seasonal adjustment was 5 per cent.

The award of construction contracts was reduced to $24,542,000 in December compared with $39,311,000 in the preceding month. Only four contracts valued at $1,000,000 or more were placed in December, these being confined to the Prairie Provinces and British Columbia. Progress with the railway terminals in Montreal resulted in a considerable gain in the total of building permits issued during the month.

Three Depressing Influences

The main influences in depressing the preliminary business index in December were the declines shown by the newsprint, construction and iron and steel industries. While declines were shown in other directions, the weight assigned most of these other factors was relatively unimportant.

Despite the drastic decline in the last 19 months, the level of operations in December measured by the preliminary index was 26 per cent higher than the average for the base period from 1919 to 1924. The line of long term growth determined by the method of least squares from the period from 1919 to 1928 passed through a point in December about 22.6 per cent above the actual index for the month. The slope of the long term growth line is greatly influenced by the period selected for its determination. Under circumstances of a period such as the four last years when cyclical changes are extensive there is a considerable advantage in using the fixed base for the construction of a business index. The line of long term growth is interesting for purposes of comparison, but an index expressed as a percentage of the long term trend, is under the disadvantage of being referred to a moving base the monthly increment of which is itself subject to adjustment at intervals selected according to the judgment of the makers of the index.

Pipe More Popular Than "Fag" in 1930

With the exception of increased use of cut and plug tobacco during 1930 the consumption of tobacco in Canada during 1930 was well under that of 1929. While revised figures have not as yet been issued by the Excise Department for the entire year, it appears from unrevised figures that cut and plug tobacco was used to the extent of 21,439,319 lbs. in 1930, an increase of 2.4 per cent over 1929.

Cigar consumption dropped eight per cent to 183,272,876 in number compared with 199,297,387 in 1929 and 187,351,732 in 1928. Foreign raw leaf tobacco consumed amounted to 16,248,215 lbs., 6.65 per cent down from 1929. Cigarettes lost little in popularity with a decrease of only 1.3 per cent to number 5,016,994,240 as compared with 5,082,688,620 in 1929 and 4,437,328,670 in 1928.

Gypsum Production in 1929 Had Value of $3,345,696

Canadian production of gypsum during 1929 amounted to 1,211,689 tons valued at $3,345,696, slightly below the record year of 1928. Of the total tonnage quarried during 1929, some 20.2 per cent was calcined in Canada. Nova Scotia is the chief producer and 92 per cent of the gypsum mined in that province was shipped crude to the United States.

The 17 firms engaged in mining gypsum in 1929 had capital employed of $7,438,605 as compared with $8,035,319 used by 16 firms in 1928. Employees numbered 987 in 1929 and salaries and wages amounted to $1,054,213. Exports during 1929 were valued at $1,223,985, chiefly crude gypsum from Nova Scotia, including $137,046 of plaster of paris and prepared wall plaster.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1930	Weekly Latest 1929	Cumulative Jan. 1, to date 1930	Cumulative Jan. 1, to date 1929
C. P. R. Gross earn. (Jan. 14, '31)	$ 2,487,000	$ 2,745,000	$ 4,909,000	$ 5,440,000
C. N. R. Gross earn. (Jan. 14, '31)	$ 3,052,826	$ 3,743,281	$ 5,828,510	$ 7,340,565
Car Loadings (Jan. 10, '31)	43,966	51,916	80,315	96,346
Common Stock Index (Jan. 15, '31)	107.6	162.8	......	......
	Monthly			
Production—				
Pig Iron, tons (November)	46,360	86,516	708,155	1,007,612
Steel, tons (November)	71,740	93,648	948,022	1,297,273
Newsprint, tons (December)	184,755	230,008	2,499,631	2,728,827
Automobiles (November)	5,407	9,424	148,570	257,800
Boots and Shoes, pr. (October)	1,852,392	1,936,372	14,898,392	16,756,333
Flour, bbls. (November)	1,739,375	1,628,015	15,419,320	17,480,151
Mineral Production—				
Gold, oz. (November)	197,186	150,418	1,877,515	1,758,657
Silver, oz. (November)	2,361,778	1,519,883	24,233,060	20,988,082
Nickel, tons (November)	3,545	7,545	49,187	49,720
Copper, tons (November)	10,868	12,060	140,603	111,350
Lead, tons (November)	11,707	12,072	150,236	147,103
Zinc, tons (November)	11,916	7,225	122,128	89,282
Coal, tons (November)	1,315,420	1,534,190	13,496,982	16,011,519
Natural gas, M. cu. ft. (Nov.)	2,841,803	2,722,461	25,483,805	24,638,430
Petroleum, bbls. (November)	160,726	114,337	1,370,827	1,019,328
Automobile Financing—				
Used Cars (October)	$ 2,475,741	$ 2,971,643	$ 29,666,142	$ 35,723,222
New Cars (October)	$ 1,266,065	$ 3,869,531	$ 27,054,381	$ 44,267,656
Construction—				
Building Permits (November)	$ 11,791,478	$ 16,171,400	$ 148,349,706	$ 220,255,867
Contracts (December)	$ 24,542,300	$ 32,549,000	$ 456,999,600	$ 576,651,800
Labor—				
Employment Index (Dec.)	108.5	119.1	......	......
Trade—				
Imports (November)	$ 76,363,802	$ 108,733,697	$ 948,180,284	$1,214,627,537
Exports (November)	$ 73,060,871	$ 111,068,332	$ 819,086,698	$1,093,891,958
Imports of Key Products—				
Rubber, lbs. (November)	4,766,000	6,062,000	56,974,866	74,737,786
Cotton, lbs. (November)	15,786,000	18,159,000	88,140,000	183,809,967
Sugar, lbs. (October)	67,778,600	92,403,300	707,347,200	710,225,900
Petroleum, crude, gal. (Nov.)	74,970,000	149,760,000	460,089,446	995,589,383
Coal, tons (November)	1,571,487	1,865,928	16,396,942	17,284,801
Exports of Key Products—				
Newsprint, cwt. (October)	3,896,395	4,024,998	34,631,795	45,933,076
Automobiles, No. (November)	2,663	5,973	41,653	97,472
Wheat, bush. (December)	22,230,397	15,960,792	207,761,067	211,945,589
Wheat, flour, bbls. (December)	601,894	604,979	7,514,778	9,573,880
Electric Power—Output—				
M. Kilowatt hours (November)	1,485,136	1,595,048	16,178,665	16,090,896
Population—				
Emigration (November)	1,476	6,089	40,365	65,332
Immigration (July)	8,383	16,465	80,178	117,824
Finance—				
Failures, No. (Oct.)	216	176	1,941	1,766
Failures, Liabilities (Oct.)	$ 4,017,101	$ 2,050,232	$ 40,565,515	$ 32,391,423
Bank Debits (November)	$2,973,627,955	$4,176,749,612	$34,479,077,931	$42,866,333,084
Bond Sales (December)	$ 34,131,954	$ 122,921,059	$ 763,022,307	$ 653,388,556
Insurance Sales (Nov.)	$ 46,868,000	$ 56,673,000	$ 518,182,000	$ 558,855,000
Wholesale Prices (1913=100)—				
General Index (December)	77.8	96.2	......	......
Iron and its products (Nov.)	89.4	93.4	......	......
Cottons, raw	62.6	100.2	......	......
Grains	44.8	50.5	......	......
Live stock	92.0	111.5	......	......

Many Factors Working To Restore Price Stability

Decreased Production and Low Inventories, Pave Way For Upturn in Commodity Prices—Turning Point Seen Near in Several Groups

By E. F. BRAYHAM

Following the market crash of 1929, there has been a singularly persistent undercurrent of thought that the world has attained a stage of over-production for many years, brought about by the fact that consumption had apparently failed to keep in line with mass production. Nevertheless, relatively speaking, considerable progress has been achieved during the past year in stabilizing the markets, and it seems propitious to cite some significant data which would help to clarify this situation.

Since the cessation of the great war there have been four depressions, and during each occasion, the recession in commercial activity caused deflation in prices. The first of these depressions was in 1921 and was considered the major recession owing to the fact that the war left manufacturers with large stocks which was the result of an abnormal demand inspired by the deliberate destruction which was taking place then. When this unusual demand waned, normal consumption was not able to absorb the surplus as readily, and moreover, the 1921 depression was also characterized by currency deflation in Europe.

The following tabulation indicates the value of the principal commodities during the three epochal periods of this century, and are compared with the monthly averages of the current year, and on Jan. 6, 1931.

TREND OF COMMODITY PRICES—1903-1930

	1903-1913	1914-1918	1919-1929	Average 1930	January 17
Metals:					
Pig Iron, per ton (1913)	$14.68	$21.36	$23.47	$16.05	$15.90
Copper, per lb. (1907-13)	.149	.224	.150	.121	.101
Tin, per lb.	.357	.561	.495	.293	.257
Zinc, per lb.	.058	.102	.069	.045	.040
Foodstuffs:					
Wheat—Av. per bu. (1913)	$0.890	$1.80	$1.525	$0.945	$0.565
Coffee, per lb.	.089	.087	.147	.080	.062
Sugar, per lb.	.049	.065	.070	.047	.047
Miscellaneous:					
Silk, per lb. (1913)	$3.50	$4.24	$6.57	$3.47	$2.87
Wool, per lb. (1913)	.239	.469	.556	.308	.290
Rubber, per lb. (1913)	.820	.672	.340	.094	.082
Cotton, per lb.	.119	.184	.235	.118	.102

(Wheat refers to Winnipeg quotes—all others as at New York.)

Retailer Not Overstocked

In all the following recessions, i.e., 1924, 1927 and 1929, the decline in commodity prices was, in the main, due to over-production, but a decidedly favorable factor was brought to light in these later recessions, namely the condition that retailers were not by any means overstocked, in fact they were carrying in some cases subnormal stocks bought invariably in a declining market.

The trend of commodity prices since the beginning of this century has been very fluctuative as will be observed from the appended table. Values advanced sharply during the war years 1914-1918, deflating subsequently and during the course 1930, had in most cases declined to below pre-war levels. The metal market is probably the worst sufferer in this respect; foodstuffs had evinced a natural upward tendency during the war, maintaining a high level in the decade closed. Among miscellaneous items, rubber proved to be the most discreditable performer for it has been in its descendancy since 1916 with but a short-lived rally in 1925 when high hopes were entertained in the success of the Stevenson restriction scheme. Wool, however, is still above 1913 levels.

The above is suggestive of the fact that there exists but little scope for further contraction for with the exception of pig iron and wool, all other commodities tabulated above, are today quoted at below pre-war levels. During the major recession of 1921, the reduction in general wages and salaries was considerably less drastic than the drop in commodity prices. With the recovery from the first minor recession of 1924, wages and salaries returned to the post war peak, although commodity prices failed to recover the ground lost in the 1921 depression.

Many Low Points Reached

It would be clearly a mistake to generalize too confidently upon the trend of commodity prices since the commencement of the century. In the case of copper one has to go back to the last century to obtain its present value; wheat at present prices is at the low of 1903, to seek today's level for zinc, tin, coffee, sugar, silk and cotton one would need to refer to early twentieth century records. Moreover, such staples as cotton, rubber, sugar, coffee and wheat are selling at below the average cost of production. The level at which these commodities prevail is gauged by current trade demand.

It is manifest, moreover, that while the index for commodity prices has declined in most instances to below pre-war levels, yet the index of general business has only receded to that of the closing period of 1927. Therefore it is reasonable to assume that the decline in the price of raw commodities has attained a stage at which their manufactured costs should compare favorably with 1913.

Inventories Below Normal

The present recession has lasted over a period of 18 months during which time wholesalers have been hurt not only by the slump in retail sales but also by the policy of retailers to keep their inventories at a low figure. In many cases this has been reported to vary between 10 per cent and 20 per cent below normal stocks. During this period considerable surplus stocks held by the manufacturers have been disposed of while plants have been generally working at between 25 per cent and 50 per cent below their capacity.

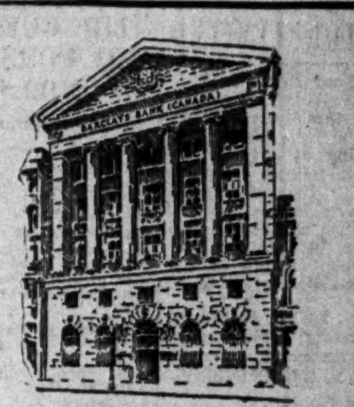
Reports emanating from most industries during recent months indicate clearly that consumption of goods have often exceeded production. Under the continuation of these circumstances, viz., low inventories, decreasing production and increasing consumption, a turn in the prices of commodities is inevitable. The purchasing of raw commodities by manufacturers has been long deferred and the policy of hand-to-mouth has been for long conspicuous. Therefore when consumption will have so exceeded the present low production that retailers' stocks will have decreased substantially, tremendous hurrying and scurrying will ensue to buy raw commodities and manufactured goods which will cause a sharp and sudden incline. Moreover, any recovery in the purchasing power of foreign countries will have an immediate and beneficial effect on our industries. The principal conclusion drawn from the conditions related above is, that if we are not actually at the turning point of commodity values, we are at any rate very near to it.

Car Loadings numbered 43,966 in Canada during the week ended January 10 and represented an increase of 21 per cent on the preceding week but a decline of 15.3 per cent from the corresponding week of 1930.

Sand and Gravel Output Declined; Value Increased

Sand and gravel production in Canada in 1929 dropped to 27,846,945 tons in 1929 as compared with 28,102,917 tons in 1928 but the value of production increased to $7,317,814 from $5,809,431. Imports amounted to 269,426 tons valued at $216,918 principally composed of silica sand imported for use in the manufacture of glass and carborundum and in the steel industry.

The number of firms operating in the industry was 541 employing capital of $9,154,055. Employees to the number of 8,758 received salaries and wages of $2,505,225. In 1928 there were 493 firms with capital of $7,783,135 and employing 7,831 men.



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BANQUE CANADIENNE NATIONALE
Statement of condition as of 29th. November, 1930

PROFIT AND LOSS ACCOUNT

Dividends	$ 699,971,59	Balance of Profit and Loss, 30th. November, 1929	$ 132,292.56
Pension Fund	40,000.00	Balance of premium on new stock	1,206.00
Dominion Government Taxes	115,000.00	Profits for the year ending 29th. November, 1930	1,024,702.28
Payment to the Treasurer of the Province of Quebec (14, Geo. V, Ch. 3).	125,000.00		
Balance of Profit and Loss, 29th. November, 1930	178,229.25		
	$ 1,158,200.84		$ 1,158,200.84

LIABILITIES

To the public:

Notes of the Bank in circulation	$ 10,735,984.00
Deposits (Savings and Current)	121,538,347.74
Miscellaneous	612,979.55
	$ 132,887,311.29
To the shareholders:	
Capital, Rest Fund, Dividends and undivided Profits	14,356,820.90
	$ 147,244,132.19

ASSETS

Cash on hand, in other Banks and in the Central Gold Reserves	$ 21,227,299.42
Securities (At less than market value)	33,262,232.29
Call Loans (Secured by Collateral of ample marketable value)	11,598,243.17
Current Loans and Discounts (After providing for doubtful debts and contingencies)	73,233,942.65
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DIVIDEND NOTICES

GEORGE WESTON, LIMITED

Preferred Dividend Number 12

NOTICE is hereby given that a Dividend of one and three-quarters per cent. for the three months ending 31st January, 1931 (being at the rate of Seven per cent. per annum), has been declared on the 7% Cumulative Redeemable Preference Shares of the Company, and will be payable on and after February 2nd, 1931, to the Preferred Shareholders of record at the close of business on the 20th day of January, 1931.

CHARLES W. KERR, Secretary.
Toronto, 15th January, 1931.

THE CANADIAN BANK OF COMMERCE

Dividend No. 176

Notice is hereby given that a dividend of Three per cent on the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1931, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd March next, to shareholders of record at the close of business on the 31st day of January, 1931. The Transfer Books will not be closed.

By Order of the Board.
S. H. LOGAN, General Manager.
Toronto, 16th January, 1931.

Brazilian Traction, Light & Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada.)

NOTICE OF STOCK DIVIDEND.

In view of the continued unsettled business and financial conditions in Brazil and elsewhere and in order to maintain a sound cash position, the Board has decided that at this time it is in the best interests of the Company and its Shareholders, to declare a stock dividend for the current quarter, as was done for the preceding quarter, and accordingly notice is hereby given that the Board of Directors has declared a stock dividend on the Company's Ordinary Shares of no par value, at the rate of one fully paid share for each fifty fully paid shares held by Shareholders of record on the registers at the close of business on 31st January, 1931. The shares comprising such stock dividend will rank for dividend as from 2nd March, 1931, but no dividend will be paid in respect of a fractional part of a share. When such fractions are converted into whole shares the latter will then rank for all dividends payable after the date of such conversion. Definitive certificates and/or fractional certificates representing the stock dividend will be forwarded to Shareholders on or about 2nd March, 1931.

Holders of fractions can either sell the same or purchase sufficient additional fractions to make up a whole share, and should arrange for such adjustments through their bankers or brokers as soon as possible after receipt of the fractional certificates. Where necessary fractional certificates may be split into smaller denominations and to facilitate distribution whole shares may be split into fractions but no splits of whole shares will be allowed after 30th April, 1931. Applications for splits must be made to the Company's transfer agent, National Trust Company, Limited, Toronto or Montreal, but for the convenience of European shareholders applications may be sent through the London agents of the Company under conditions particulars of which may be obtained from the agents. Fractions resulting from the above stock dividend may be combined with outstanding fractions in respect of the December 1st, 1930 stock dividend, but not with outstanding fractions in respect of the March 1st, 1930 stock dividend unless the right to accrued dividends applicable to the latter fractions when converted into whole shares is waived. Forms of waiver for the purpose as previously announced can be obtained from the Company's transfer agent, National Trust Company, Limited.

By Order of the Board.
A. W. ADAMS, Secretary.
Dated at Toronto, Canada, this 14th day of January, 1931.

DIVIDEND NOTICES

THE GUELPH CARPET AND WORSTED SPINNING MILLS LIMITED

PREFERRED DIVIDEND NO. 7

Notice is hereby given that a dividend of one and five-eighths per cent (1⅝%) being at the rate of six and one-half per cent (6½%) per annum, has been declared upon the outstanding 6½% Cumulative Convertible Preferred Shares of The Guelph Carpet and Worsted Spinning Mills, Limited, for the three months ended January 31st, 1931, payable February 1st, 1931, to shareholders of record at the close of business January 19th, 1931.

By order of the Board,
B. F. GRIGGS, Secretary-Treasurer.
Guelph, Ont., January 17th, 1931.

THE GUELPH CARPET AND WORSTED SPINNING MILLS LIMITED

COMMON DIVIDEND NO. 6

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared upon the outstanding Common Shares of No Nominal or Par value of The Guelph Carpet and Worsted Spinning Mills, Limited, payable February 1st, 1931, to shareholders of record at the close of business January 19th, 1931.

By order of the Board,
B. F. GRIGGS, Secretary-Treasurer.
Guelph, Ont., January 17th, 1931.

HAMILTON BRIDGE COMPANY, LIMITED

NOTICE OF PREFERRED STOCK DIVIDEND AND COMMON STOCK DIVIDEND

Notice is hereby given that a dividend of 1⅝% has been declared on the outstanding 6½% CUMULATIVE FIRST PREFERRED STOCK of Hamilton Bridge Company, Limited, for quarter ending January 31st, 1931, payable the 1st day of February, 1931, to Shareholders of record as at the close of business on the 23rd day of January, 1931.

Also that a dividend of 50 cents per share has been declared on the outstanding COMMON NO PAR VALUE STOCK of Hamilton Bridge Company, Limited, for quarter ending January 31st, 1931, payable the 1st day of February, 1931, to Shareholders of record as at the close of business on the 23rd day of January, 1931.

By Order of the Board,
F. G. WILSON, Secretary.

General Steel Wares LIMITED

Preferred Stock Dividend No. 13

Montreal, Jan. 14, 1931.

A Dividend of 1¾% upon the 7% Cumulative Redeemable Preferred Stock of the Company, for the three months ending January 31st, 1931, will be paid February 2nd, 1931, to Shareholders of record at the close of business January 15th, 1931.

D. W. DICKSON, Secretary.

The Royal Bank of Canada

DIVIDEND NO. 174.

NOTICE is hereby given that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday, the second day of March next, to shareholders of record at the close of business on the 31st day of January.

By order of the Board.
M. W. WILSON, General Manager.
MONTREAL, Que., January 13, 1931.

DIVIDEND NOTICES

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the SECOND day of MARCH next, to Shareholders of record at close of business on the 31st January, 1931.

By order of the Board,
W. A. BOG, General Manager. JACKSON DODDS, General Manager.
Montreal, 20th January, 1931.

Dominion Bridge Company, Ltd.

DIVIDEND NOTICE

A Dividend of NINETY CENTS (90c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st January, 1931, payable 14th February, 1931, to Shareholders of record at the close of business on the 31st January, 1931.

By Order of the Board.
F. W. EVENS, Secretary.
Montreal, Que., 20th January, 1931.

FROST STEEL AND WIRE COMPANY, LIMITED

FIRST PREFERENCE DIVIDEND

Notice is hereby given that the Quarterly Dividend of 1¾% on the 7% Cumulative Redeemable Sinking Fund First Preference Shares, was declared for the quarter ending January 31st, 1931, payable February 2nd, 1931, to shareholders of record at the close of business January 20th, 1931.

By Order of the Board.
CHAS. A. SMITH, Secretary.
Hamilton, Ont., January 16th, 1931.

CLASS "A" PREF. DIVIDEND

Notice is hereby given that the Quarterly Dividend of 1¾% on the 7% Class "A" Cumulative Redeemable Participating Preference Shares was declared for the quarter ending January 31st, 1931, payable February 2nd, 1931, to shareholders of record at the close of business January 20th, 1931.

By Order of the Board.
CHAS. A. SMITH, Secretary.
Hamilton, Ont., January 16th, 1931.

DISTILLERS CORPORATION-SEAGRAMS LIMITED

DIVIDEND No. 7

Notice is hereby given that a Dividend of 25c per share on the outstanding Capital Stock of this Company has been declared for the current quarter, payable on February 16th to Shareholders of record at the close of business on the 31st of January, 1931.

By Order of the Board,
ALLAN BRONFMAN, Secretary.
Montreal, January 13th, 1931.

Grant Fletcher Joins Bongard & Company

Grant Fletcher, who has had long and varied experience as a market technician in "The Street" in Toronto, has become associated with the firm of Bongard & Co.

The new member of the Bongard organization is widely known in brokerage and financial circles in Toronto, where he has been active for the last 15 years.

BORDEN GETS STRONG BOARD OF CANADIANS

New Dominion Company Starts Out Under Distinguished Auspices

S. J. MOORE PRESIDENT

J. H. McConnell is Chairman—Activities Managed Almost Solely by Canadians

Borden's, Ltd., the Canadian subsidiary of Borden's, begins its legal career in Canada with a board of directors made up of ten leading Canadians and six residents of New York City. Final details were completed at an organization meeting in Montreal on Thursday, January 22. The chairman of the board will be J. W. McConnell of Montreal and the president, S. J. Moore.

The official statement of A. W. Milburn, president The Borden Co., reads in part as follows:

"Borden's Ltd., has been organized under a Dominion charter with authorized capital of 500,000 shares of no par value, of which 400,000 shares have been issued at a stated value of $50.00 per share, or $20,000,000.00

"The legal residence of Borden's Ltd., will be at 68 Yonge Street, Toronto, and its principal business office will be located in Montreal at 140 St. Paul Street West.

"Borden's Ltd. will own all of the Canadian operating companies heretofore owned by the Borden Company.

Canadians Predominate on Board

"Its directorate will be made up as follows:

Hon. C. C. Ballantyne, Montreal; William H. Dunn, Montreal; Gordon C. Edwards, Ottawa; P. D. Fox, New York; Sir Charles Gordon, G.B.E., Montreal; A. T. Johnston, New York; E. B. Lewis, New York; J. W. McConnell, Montreal; A. W. Milburn, New York; S. J. Moore, Toronto; Maj. Gen. The Hon. S. C. Newburn, C.M.G., Hamilton; Britton Osler, K.C., Toronto; M. J. Norton, New York; Hon. Donat Raymond, Montreal; W. D. Strack, New York; Hiram H. Walker, Walkerville.

"Sitting on this board, and directing the affairs of this company, are to be found distinguished Canadians constituting a dominating majority of the board.

"The officers of the company will be as follows:

Chairman of the Board, J. W. McConnell; President, S. J. Moore; Vice-President and Secretary, W. H. Dunn; Treasurer and Asst. Secretary, W. P. Marsh; Assistant Treasurer, S. J. DeBaun; Assistant Secretary, W. H. Rebman.

Borden Banks on Canada

"Borden expansion in Canada, coupled with Borden's faith in the future of the Dominion, is accountable for the decision to organize Borden's Ltd. and place its direction in the hands of outstanding Canadian citizens.

"The several Canadian companies constituting Borden's Ltd. have an aggregate net tangible investment as of January 1, 1931, of approximately $19,000,000, with aggregate sales for the year 1930 in excess of $28,000,000.

"The Canadian activities are almost without exception managed and conducted by Canadians.

"Between 300,000 and 400,000 shares of stock of the Borden Company, which is about seven and one-half per cent of the total outstanding, are now owned by several thousand Canadian citizens."

ARTHUR PEDOE JOINS PRUDENTIAL LONDON

Continental Life Actuary Assumes New Position at Montreal

Arthur Pedoe, F.I.A., F.A.S., F.S.S., has been appointed actuary for Canada of the Prudential Assurance Co. of London, at its Canadian head office, Montreal. Mr. Pedoe will take up his new duties as at February 1.

Mr. Pedoe has been actuary of the Continental Life at Toronto since 1924, and during that time has been actively associated with the Toronto Actuaries Club and with all matters concerning the actuarial profession.

His insurance career commenced in England with the Mercantile and General Insurance Company. Later he entered the services of the Friends Provident and Century as actuarial assistant in the London head office. Subsequently he came to this continent and was associated with Henry Moir, the well-known actuary of New York City, with the United States Life Insurance Company. He is a graduate of the University of London, England, in science and honor mathematics. He had the distinction of being both University Scholar and University Exhibitioner in mathematics.

In the actuarial field, Mr. Pedoe is a fellow of the Institute of Actuaries of Great Britain by examination in 1923 and a fellow of the Actuarial Society of America by examination in 1928. Besides other affiliations with actuarial bodies, he is a fellow of both the Royal Statistical Society and the Royal Economic Society.

Stimson's Not Allied With Bond Association

New York newspapers have been playing up the failure of G. A. Stimson & Co. as evidence of serious financial depression in Canada. Much prominence has been given to the claim of G. A. Stimson & Co. to have been the oldest bond house in Canada.

In this connection it may be pointed out that the firm is not and has not been for some years a member of the Investment Bankers' Association of Canada which includes most of the responsible Canadian investment houses.

It was recognized some years ago that operations of the firm were not of the character that would have permitted its remaining members of the Investment Bankers' Association.

ELEVATOR AT SOREL HAS GOOD EARNINGS

Bond Interest Earned Four Times in First Eight Months

North-American Elevators Ltd., which owns a 2,000,000 grain elevator at Sorel, Quebec, is reported to have earned interest charges on its $700,000 6½ per cent first mortgage bonds by more than four times during the eight months ended December 31, 1930. The elevator is filled to capacity and a profitable business in grinding cattle feed is being carried on so that net earnings of $100,000 are anticipated for the first year of operation.

Gross revenue of the company from May 1 to December 31, 1930, is reliably reported at $175,241 from which there is deduction of $68,310 for operating and management expenses leaving $106,932 available for bond interest and depreciation. Interest on bonds for a half year and bank loans amount to $24,729 and was therefor covered 4.2 times in the first eight months of operation. There remains $82,203 available for depreciation and dividends which by the end of the year will be increased to $100,000 it is expected. Depreciation of some $25,000 will be written off for the period to Dec. 31.

Dividends on the $316,200 of seven per cent first preference shares amount to $22,134 and the seven per cent second preference share dividends total $21,000. It would appear that after liberal allowance for depreciation the preferred dividends would be earned by a good margin.

Zimmerknit Bondholders Are Notified of Exchange

First mortgage bondholders of Zimmerknit, Ltd., can deposit their bonds with the Royal Trust Co., Toronto, and subsequent to February 1 will receive second mortgage and collateral trust bonds and preferred stock of the new company, Zimmerknit Co., in exchange for their present holdings.

Under the agreement sanctioned by bondholders of the old company on December 17, 1930, the first mortgage bonds will be exchanged for junior securities of the new company on the basis of $200 in principal amount of second mortgage and collateral trust six per cent 30-year sinking fund gold bonds and $100 in par value of seven per cent preference shares for each $300 principal amount of the old first mortgage issue. The securities of the new company will be deposited with the trust company on February 1, 1931.

Registered bonds turned in for exchange must be accompanied by power of attorney for transfer in blank. In all cases the coupon due August 1, 1930, and all subsequent coupons must be attached.

Dominion Textile Unit Suffers Loss from Fire

From Our Own Correspondent

MONTREAL.—Damage to the extent of some $400,000 was incurred when fire gutted the premises of the Dominion Textile Co.'s St. Ann's Branch, Montreal. The building consists of five stories and is built of brick. It is 350 feet long and 100 feet wide. The fifth and fourth floors are used for weft spinning and were filled with cotton. It was on these floors that most of the damage was done.

It is expected that the damage will be repaired in two or three weeks time. Meanwhile some 350 operatives are out of employment.

C. C. Pratt is President Newfoundland Trade Board

C. C. Pratt, prominent St. John's merchant, has been elected president of the Newfoundland Board of Trade, succeeding G. R. Williams.

Officers for 1931 were announced as follows: President, C. C. Pratt; first vice-president, Hon. Frank McNamara, M. L. C.; second vice-president, R. Gushue.

Montreal Harbor Building

The winter construction programme of the Montreal Harbor Commission calls for an expenditure of $3,500,000 and the employment of some 1,800 men, it is announced by J. H. Rainville, chairman of the Board.

NOTICES

THE DOMINION BANK

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 28th January, 1931, at twelve o'clock noon.

By Order of the Board.
C. A. BOGERT, General Manager.
Toronto, 18th December, 1930.

Cutten Explains Why He Trades in Winnipeg

Arthur W. Cutten, prominent Chicago grain trader, has purchased a seat on the Winnipeg Grain Exchange. Other Chicago grain traders have switched their activities to Winnipeg following United States government operations on the Chicago Board of Trade that have, in the opinion of grain traders, interfered with the free play of trading forces on the exchange.

When asked regarding his purchase of a seat on the Winnipeg Grain Exchange, Arthur W. Cutten said:

"I concluded that if I wanted to trade in grain at any time, the only free market on this continent is in Winnipeg.

"In Chicago, there is too much government interference and also too much Board of Trade interference with the buyer.

"The board recently took a reactionary step when it voted to allow delivery out of private elevators on track, which is a great handicap to the buyer, who has no place to put his grain and the demurrage charges are about $5 a day per car.

"In my opinion all deliveries ought to be made to a buyer on a gold platter, instead of his being handicapped in such ways.

"Another reactionary proposal which will be voted on early in February by the board is that every member of a firm will have to buy a membership as in the old days.

"Among the advantages of a Winnipeg seat is, of course, the fact that a member gets the benefit of lower commission rates. The principal considerations which impelled me to buy a seat there, however, are those which I have just stated."

Gold Stocks Active, Other Issues Quiet

In comparatively quiet trading on Canadian stock exchanges, bright spots concerned gold stocks, which still are getting concentrated attention, and beverage stocks, which went up in anticipation of the Wickersham report at Washington being somewhat unfavorable to the continuation of the present prohibitory system. Profit-taking checked both moves in individual stocks, beverage stocks receded when actual publication of details of report indicated disagreement of commissioners on various points at issue while President Hoover came out unqualifiedly, stating his adherence to a dry regime for the United States, whatever the report might say.

Some interest is shown in the fact that for the first time in fourteen months there is a small reduction in visible supplies of refined copper. It is expected that production will be further curtailed by major operators to effect a still further improvement in the situation. If reduction progresses over the next few months, it will turn more favorable attention to copper stocks.

Newsprint company stocks are still at very low levels in view of the fact that production is at a lower percentage of capacity than for many years. However, a reduction of visible supplies is noted, and, if continued, this may permit some increase in output within a few months.

Fertilizer Plant Producing

VANCOUVER.—The phosphoric acid plant of the $10,000,000 chemical fertilizer factory being built at Warfield, near Trail, by the Consolidated Mining & Smelting Company, is now producing on a commercial scale and shipments will be made to the prairies in the near future.

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NOTICES

Notice of Annual Meeting of THE TORONTO GENERAL TRUSTS CORPORATION

and for Confirmation of By-Law No. 4, of the Corporation, for Increase in Its Capital Stock.

NOTICE is hereby given that the Annual General Meeting of the Shareholders of The Toronto General Trusts Corporation will be held at the Head Office of the Corporation at No. 253 Bay Street, in the City of Toronto, on

Wednesday, the 4th Day of February, 1931, at the hour of 12.00 o'Clock Noon

to receive and consider the annual report and financial statement of the Corporation for the year ended the 31st December, 1930, to adopt, ratify and confirm By-law No. 4 of the Corporation, providing for an increase in the Capital Stock of the Corporation from Three Million Dollars ($3,000,000.00) to Five Million Dollars ($5,000,000.00) and for the issue and allotment of said stock by the Directors as in said By-law provided and to elect Directors for the ensuing year, as well as for the transaction of such other business as may be brought before the Shareholders.

By Order of the Board of Directors.

W. G. WATSON, General Manager.
Toronto, January 20th, 1931.

Directors of Canadian Companies

The names of the Directors of all Canadian companies in which investors are interested, together with a list of all the companies with which each Director is associated, have for the first time been published by The Financial Post in their new Directory of Canadian Directors and Officials, 1931.

Over 4,000 names are listed alphabetically with initials, business address, and in most cases home address.

These are the men who have created and built up Canadian business institutions—men who have high influence and buying power.

For those who desire new and increased business this record of Canada's wealthy men has particular value. The Directory of Canadian Directors and Officials contains 416 pages and is attractively bound in deep green stippled cloth with gold lettering. Price post-paid $10.00.

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Apple Market Widens

A shipment of 19,000 barrels of apples for Antwerp and Copenhagen concluded the second season of shipping from Port Williams. During the season 220,000 barrels of apples and 80,000 barrels of potatoes were exported from that port.

An Authentic Source of Information on Canadian Development

Investors in any Canadian Enterprise which has to do with the natural resources of the Dominion are invited to consult our carefully prepared synopses covering nearly every phase of Canada's natural wealth.

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Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Imperial Oil; Brazilian

What is your opinion of Imperial Oil and Brazilian Traction as investments at present prices?

Imperial Oil's present dividend seems secure even if one grants the possibility of lower earnings for International Petroleum in case the United States, by tariff raises, cuts out foreign crude and even though the recovery from the present business depression should be slow and prolonged. When the world, however, strikes another era of good business and a good balance is established between the output of oil and consumption, it should move forward once again at much the same rate as in the past.

Brazilian Traction Light & Power has had in recent months a revolution to contend with and there is prevailing uncertainty as to the ability of the Government to maintain the milreis at anywhere near 11 cents. Brazilian's record has shown that it has done well from an operating standpoint in all times of good and bad business in Brazil, but from the shareholder's standpoint anything which affects the milreis will have a most decided effect on dividend disbursements. The state of Brazil, therefore rather than the the state of Brazilian Traction is the matter for investors to watch. Aside from exchange fluctuations, it would be a good investment.

Would Add to List

I hold the following common stocks:
20 Page-Hersey Tubes.
40 Building Products A.
40 International Nickel.
20 Noranda.
30 Canadian Brewing Corp.
20 Imperial Oil.
25 Hiram Walker-G. & W.

I am thinking of buying the following and would be glad of your advice or suggestions.
10 C. P. R., common.
10 Building Products, common.
20 Ford of Canada A, common.
5 Consolidated M. & S., common.
20 Beatty Bros., common.
10 Canada Dry, common.
50 Teck-Hughes Gold, common.

We see no present reason to disturb your holdings of securities.

We think you would be well advised in buying according to your suggestion, Building Products, Canada Dry and Teck-Hughes. We would also favor the buying in times of market weakness C. P. R. common, Ford of Canada "A," Consolidated Mining & Smelting and Beatty Bros. Perhaps it would be as well to defer the purchasing of the latter stock until seeing the company's experience in 1931. It has done quite well in 1930 in spite of the business depression.

Imperial Oil; Nickel

For an investment of $1,000, would you consider the purchase of Imperial Oil, or International Nickel, more advantageous?

We would be inclined to split the investment between Imperial Oil and International Nickel, buying only on market weakness.

Wants 7 P.C. Yield

I would be pleased to receive your suggestions for an investment of $5,000 for a man with surplus funds who owns a going business and has satisfactory life insurance. His intentions are to purchase securities for a hold and he would like an average yield of 7 per cent.

Please criticize or substitute the following list:
C.P.R., 25 shares at 40—$1,000.
Ford "A," 25 shares at 22, $550.
Goodyear Pref., 10 shares at 103, $1,030.
Brantford Cord., 25 shares at 20, $500.
Imperial Oil, 30 shares at 18, $540.
H. Walkers-G. & W., 50 shares at 7, $350.
Montreal, L., H. & P., 50 shares at 56, $1,020.
Total, $4,990.

The securities which you propose purchasing would give you a yield of 6.8 per cent, and they are all companies which over a long term, appear to have excellent possibilities. If, in one or two cases a smaller dividend might be paid than that shown in some years, there is also the prospect that in good years the dividend might be greater.

Abitibi Bonds

Do you consider the first mortgage bonds of Abitibi Pulp & Paper Mills a good investment? Any information you can give will be appreciated.

We consider even at the present low price and the present unfavorable position of the newsprint industry that the first mortgage bonds of the Aibitibi Pulp & Paper Mills are promising investments though the speculation element is undeniably greater because of the price uncertainties.

Imperial Royalties

Please give me as much information as possible on Imperial Royalties Co. and British International Securities Co. representatives of which are selling the stock of the former company in my district.

Imperial Royalties Co., has been paying dividends for almost a decade. During that time it has shown a growth in income, dividend payments, assets, cash balances, number of properties, number of acres on which royalty interests are held, and number of wells. At the same time there has been a great growth in outstanding stock, the other growth being based on the receipts from sales of these shares. It is a common law trust which permits control to be exercised pretty well by the few people who have promoted and managed it from the beginning. The company reported for the year ending May 31, 1930, seven cents a share on the common shares and $1.08 a share on the class "A" common stock after the participating feature of the preferred stock. This compares with nine cents a share on the common and $1.35 on the class "A" common stock for the period ending May 31, 1929. The company has been paying a dividend of 1½ cents on the preferred and 18 cents on the class "A" preferred monthly.

The ratio, of non-producing to producing acreage held by the company at the end of 1929, was ten to one. Capital received from the sale of stock must go into producing royalties, except that for investment. All the surplus after dividends of 18 per cent may be used to purchase non-producing royalties and the remainder either held locally or put into producing royalties. The preferred of $1 par outstanding amounts to $5,140,338 and there are 211,313 no par value shares of class "A" preferred, 1,812,822 no par value common shares and 211,313 no par value class "A" common shares. The directors get a share of common stock or class "A" common stock for each share of preferred or class "A" preferred stock issued.

The depletion of royalties is not charged to income. However, depletion is considered by the Petroleum Engineering Co. in its annual appraisal of the company's properties, on a fifteen-year basis. This is the company at Tulsa, Okla., which selects the properties.

At the present time the company would be considered to be under an exceptionally heavy test. Curtailment programmes mean in many places that only 5 per cent of the total production can be taken, and of this royalty interest would only cover about one-eighth of the five per cent.

No doubt the large amount of non-producing acreage offerssomeattractive prospects for the future. However, depreciation on royalty interest is very heavy, curtailment programmes will have to be in operation for many years unless the United States shuts out foreign supplies by means of a tariff, and any purchaser at present should consider a large portion of the large dividends paid to be return of capital; as such stock is not easily marketable, returns should be heavy enough to show return of capital in a comparatively few years.

British International Securities Co., is simply a stock selling company for the Imperial Royalties shares, as we understand it, and we are unable to give you any information beyond that.

Investors' Syndicate

I would like your opinion on the following investment:

I contemplate investing $2,000 as follows: 100 shares Imperial Oil, common, approximately $1,600 and $370 for a $5,000 Investors Syndicate, certificate bearing 5½ per cent compound interest and which matures in 10 years, by paying in $370 annually for 10 years.

I propose using the Investors' Syndicate certificate as a sinking fund for my business. This looks like an attractive proposition to me, and I shall appreciate any information you can give me as to its safety.

We would regard Investors' Syndicate, Minneapolis, investment certificates as suitable for one who can continue to make the payments required in the contract for the full ten years of its existence. It would then be profitable to him and would provide a considerable sum at the end of ten years. If, for any reason, he had to abandon the project, within three or four years, we would not consider that the investment had proved worth while. Considered as a sinking fund for a business, we would not entirely favor the investment certificates. The question of liquidation at any time of the security, it seems to us, is important. You would probably put your business in a better position by using the same amount of money or even more each year for investing in Dominion Government, provincial and municipal bonds and raising the average income from these by purchasing of bonds of the strongest public utility and industrial companies.

Your suggestion for purchasing Imperial Oil is a good one, but in your case we would be inclined to wait to see whether the U. S. congress puts a tariff against foreign crude petroleum. This would affect exports of International Petroleum from Colombia, and International Petroleum provides a large part of the revenue of Imperial Oil from its foreign investments. This would probably not interfere with the long view success of International Petroleum, but might have an effect on the stock market, and it would be better for you to buy the shares in any time of decided market weakness which develops with regard to the company.

Canada Bread

I am interested in Canada Bread and observe that the price of the common stock has been steadily falling for some time now. I am under the impression that the decline is more than can be attributed to the general downward trend of the stock market, and would like to know if there are any other factors adversely affecting the company.

Canada Bread Co., like practically every bread company in Canada, has just finished a year of the most intense competition which they have had this century. All of the companies have expanded materially in recent years, and the recent drop in commodity prices has had an effect in leading these companies to make a very strong bid for trade. This resulted in uneconomic competition and in very low prices of bread in a number of localities.

Flour, which was high in the early part of the year, dropped to lower levels later, but we are assured by an official of the Canada Bread Co. that whereas flour has dropped to about ¾ cents a pound as applied to a loaf of bread, the price of bread per loaf has dropped in different localities from one to three cents.

However, Canada Bread and some of the very large companies have put drastic economies in operation, and are now working together in a way which promises to end the worst features of the recent price-cutting campaign, and the company, itself, is probably in a sounder position than it has ever been. It is too soon to say what the attitude will be toward the next dividend on the common stock, but we would be inclined to feel that the long view on this stock is good whatever temporary factors may arise.

United Grain Growers Reports Are Criticized

But Analysis by Accountant Indicates Strengthening of Subsidiaries in Last Fiscal Year

As a shareholder, I have been convinced for many years that United Grain Growers, Ltd., has not been fair to shareholders in that the balance sheets and other features of the annual report have been deficient in information to which, I think, the shareholders are entitled.

United Grain Growers has delved into all sorts of subsidiary companies, some of which have entailed a tremendous loss. Having the export grain company's profits to fall back upon, I imagine that all the subsidiaries might show profit in a consolidated statement and I am afraid this is the expediency resorted to.

Says Delegates Handpicked

If you do not wish to comment on this subject in The Financial Post, which I wish you would, you might have the kindness to drop me a line and let me know what steps I can take, as a shareholder, to force this company to give a profit and loss statement of these important and heavily capitalized subsidiaries.

By special legislation of the Dominion government this company many years ago got permission to confine its annual meeting to delegates elected by local meetings of shareholders. These local meetings are also held in conjunction with the company's elevators and the resident manager is able to handpick the delegates.

Consequently it would seem that anything could be done at the annual meetings without protest from the shareholders.

My contention is, that in view of this special legislation, which apparently abrogates the shareholders' right to attend annual meetings, it is the duty of the company to give even more detailed information in respect to its finances than would otherwise be expected.

The questions brought up in this letter from a subscriber involved so many points purely within the realm of accountancy that The Financial Post suggested to a high authority on accounting that his analysis would be interesting. This authority went over all of the public documents for the last two years, paying particular attention to the consolidated and general balance sheets.

The accountant who makes the following comments has no connection, directly or indirectly, with the grain business, is not a resident of Western Canada nor a shareholder, so that his remarks may be construed as unprejudiced.

I have been able to consider properly the finances of the United Grain Growers Limited and its subsidiaries, as evidenced by the attached statements, report and correspondence.

Current Position: The current position generally shows a distinct improvement.

Balance Sheet of Holding Company & Subsidiaries, Aug. 31, 1929

Current Liabilities	$3,154,066.81
To meet them it had	6,548,895.76
But of this sum the following was not immediately available for the liquidation of current debts:—	
Funds in hands of trustees for bondholders	67,531.32
Stocks of grain, etc.	2,947,721.91
Supplies, etc.	544,088.74
or a total of	3,559,261.97
Utmost which could be turned into cash and used to meet liabilities	2,989,633.79
Deficiency of	$ 164,433.02

Balance Sheet of U. G. Growers alone—August 31, 1929.

Current Liabilities	$2,299,194.68
Current Assets	5,403,509.38
Less, not available for liquidation of current debts:—	
Funds in hands of trustees	67,531.32
Stocks of grain	1,287,547.77
Supplies, etc.	507,340.04
or a total of	$1,862,419.13
Utmost available	3,541,090.25
Surplus of	2,241,895.57
Now if a surplus of	$2,241,895.57
was turned into a deficiency of	164,433.02

after the balance sheets had been consolidated the subsidiaries must have had a shortage of funds to meet their current liabilities amounting to — $2,406,328.59

The subsidiaries were in a dangerous position in August 31, 1929, probably due to large stocks of grain.

Note: The memberships — $99,405.80 would hardly be called a quick or cash asset, although they could be sold, if need be. Are they not really fixed assets? However, I have not troubled to take them out of the figures for either years.

Balance Sheet of Holding Company and Subsidiaries, July 31, 1930

Current Liabilities		$1,254,150.70
To meet them it had	$ 2,954,694.04	
Less grain, etc	1,199,275.36	
Utmost available (including memberships)		1,755,418.68
Surplus of		501,267.98

Balance Sheet of U. G. Growers Alone, July 31, 1930

Current Liabilities		$1,092,327.67
To meet them it had	$ 2,098,074.44	
Less grain, etc.	950,662.24	
Utmost available (including memberships)		1,147,412.20
Surplus of		55,084.53
which shows that the subsidiaries by themselves have a surplus of		$501,267.98
Less		55,084.53
		$466,183.45

In other words, by some means a shortage of quick or cash capital of $2,406,328.39 has been turned into a surplus of $446,183.45—which shows a sounder position.

I can well understand a shareholder's trepidation after August 31, 1929, and the rumors which have apparently floated round regarding the subsidiaries. At the same time, the position seems to have changed for the better. I could have written very strongly after the August 31, 1929, balance sheets, but could not do so now.

Report Is Improved

The balance sheets for July 31, 1930, are much better drawn up than those of the previous year, and this is dealt with quite well in the report for the same date of the president and directors. The item stocks and shares and Exchange Memberships in the 1929 balance sheet undoubtedly includes the "Investment in Subsidiary Companies" of capital $1,336,750. In other words the shortage of cash or quick assets I have shown for 1929 of $2,406,328.59 to meet current liabilities was really $1,336,750 worse. The recovery has been correspondingly greater in actual fact. Generally the new balance sheets give one a real chance to size up the position of the company, and they show it to be in a much better position than it was in August 31, 1929.

Excluding shareholders' dividend in 1929 the owners had in the company		$6,218,942.41
The outside world had Cur. liab.	$3,154,066.81	
Less divs. due	273,312.38	
		2,880,754.43
Fixed liabilities		5,126,938.69
		$8,007,693.12
Less S. F.		67,531.32
		$7,940,161.80
In 1930 the owners had in the company		$5,671,784.48
The outside world has Current		$1,038,235.96
Fixed		4,975,893.36
		$6,014,129.32
Less bonds of S. F.		283,181.00
		$5,730,948.32

The improvement in 1930 can be seen. The amounts at stake of the owners and of the outside world are almost the same. In 1929, the outside world had $1,700,000 odd at stake in the company, more than the owners.

Voting by Shareholders

This is the principal snag; but even regarding this the new president invites consideration in his report. He frankly suggests that the value of the old arrangement has decreased, and asks for careful study to be given to this feature.

All round, I detect an improvement under the new president, and under the new auditors, Price, Waterhouse & Co. I have never heard of R. S. Law, president, before, but his statements, reports, etc., give me the impression of an able man, who wishes to do the best he can for the company and the shareholders.

Could Pass By-Law

The shareholders could get a better idea of the company, if they had separate balance sheets and profit and loss statements for the subsidiaries, individually, as well as the amounts already published. That, however, they can require to have laid before them by passing a by-law accordingly.

The first thing to be done is to rearrange the system of voting. They could allow all who can attend to do so and have voting trusts for scattered shareholders, who cannot. That is the first thing to be done.

I suggest that your subscriber should start his agitation at once to get the old voting arrangement upset. When this has been done, he can ask for separate statements for each subsidiary and fuller details of the capital assets and the expenditure which has been made on them.

When Women Invest

A WEEKLY FEATURE

Supertest and Simpson's

I would appreciate your comments on the advisability of a woman purchasing as an investment 10 shares of Supertest Petroleum 7 per cent preferred stock; a $1,000 Robt. Simpson Co. 6 per cent bond, and a $1,000 Bell Telephone 5 per cent bond. Do you think the first two mentioned are reasonably safe as compared with the last mentioned?

There is reasonable safety in the bonds suggested by you as suitable for a woman. The measure of safety would advance in the order set down by you, that is, Supertest preferred stock, paying 7 per cent, is attractive in view of the high return and of the fact that the company's present earnings are many times the amount necessary to keep up the dividend, but it would have the lowest safety of the three. It is unfair, of course, to compare a stock with a bond except for your individual case.

In referring to a 6 per cent bond of The Robert Simpson Co., you are in error, and probably refer to the first mortgage and collateral trust sinking fund bonds, series "A," 6 per cent, due 1949, of Simpson's Ltd., which controls The Robert Simpson Co. Ltd. These bonds are a direct obligation of Simpson's Ltd., secured by a specific first mortgage on all the company's present and future real estate, buildings and equipment, including all of the issued common shares of The Robert Simpson Co. Ltd. The chief assets of Simpson's Ltd., would be the common stock of The Robert Simpson Co., and these bonds would be a first charge on earnings of that common stock. There is, nevertheless, a considerable measure of security in this bond.

The Supertest stock is more in the nature of a business man's stock, that is, it represents investment in a company which has been showing growing strength, but as there are powerful influences at work in the whole oil industry, such a security should be held by one who is confident that he can come to a conclusion to sell if either too keen competition or too great a deluge of products over-produced should threaten prices.

Stock for a Long Hold

I have $6,000 to invest in stocks that should appreciate over a term of years and give a fair return.

I hold at present some Dominion of Canada bonds, Conduits common, B. A. Oil common, International Nickel and Canadian Canners second preferred amounting in all to $7,000. Are these satisfactory for a long hold?

Your present investments in Dominion of Canada bonds, Conduits common, British American Oil common, International Nickel and Canadian Canners second preferred stock, are promising for a hold of some years.

We would suggest an approximate division for the $6,000 which you have to invest at present as follows:

$1,000 in Bell Telephone common stock.
$1,000 in Consumers' Gas stock.
$1,000 to buy Steel of Canada stock.
$1,000 in Loblaw "A" or "B" stock.
$1,000 in C. P. R.
$1,000 to be retained to purchase Consolidated Smelters stock at such time as there is an undeniable access of new activity in business in the major countries of the world.

Back to Fundamentals

Due to the speculative fever of recent years few lists of securities today conform to time tested principles of sound investment. Whatever your own views of your holdings, an independent analysis at this time will be helpful.

A special form on which your holdings may be entered will be forwarded at your request.

Greenshields & Co
Investment Bankers
Members Montreal Stock Exchange
17 St. John Street, Montreal
Ottawa Toronto Quebec

National Steel Car Corporation Limited

Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts—Steel Pressings—Forgings—Drop Forgings.

HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

BALANCE SHEET OF THE Toronto Mortgage Company

For the Year Ending 31st December, 1930

ASSETS

Office Premises in Toronto Street, unencumbered		$ 45,000.00
Real Estate held for sale		None
Mortgages at face value, less provision for possible depreciation—		
Principal	$3,984,534.36	
Interest due	2,307.58	
		3,987,843.94
Loans on Stocks		12,500.00
Securities of the Dominion of Canada and its Provinces	228,142.72	
Securities guaranteed by the Dominion of Canada or by its Provinces	8,250.76	
Debentures of Canadian Municipalities	62,810.20	
Other Bonds and Debentures	6,793.36	
		305,588.08
Stocks fully paid up		93,300.00
Cash in Chartered Banks		159,396.22
Cash in Office		[illegible]
Total		$4,603,774.13

LIABILITIES

To the Public			
Debentures Sterling		$1,894,774.65	
Accrued Interest thereon		14,392.54	
Debentures Currency		561,289.91	
Accrued Interest thereon		10,395.03	
Deposits, Savings Accounts		92,965.83	
Reserved for Accrued Income, Taxes, etc.		11,165.17	
			$2,585,583.92
To the Shareholders			
Capital Stock subscribed	$979,050.00		
Capital Stock fully paid		974,367.50	
Reserve Fund	900,000.00		
Premium on new Stock	251,154.50		
		1,151,154.50	
Unclaimed Dividends		48.50	
Dividend declared and unpaid, due 1st January, 1931		28,732.50	
Profit and Loss Account—Balance carried forward		63,373.21	
			2,218,191.21
Total			$4,603,774.13

PROFIT AND LOSS ACCOUNT

Dr.	
Interest on Sterling Debentures paid and accrued	$ 80,477.56
Interest on Currency Debentures paid and accrued	28,831.75
Interest on Deposits	2,998.10
Charges on Moneys borrowed and lent	11,900.91
Cost of Management, viz:—Salaries, Directors' and Auditors' Fees, Office Rent, etc.	36,834.03
Dominion, Provincial and Municipal Taxes	5,792.70
Toronto General Hospital, Building Fund Subscription	1,000.00
Dividends on Capital Stock at 12%	104,394.62
Balance carried forward	63,373.21
Total	$ 328,800.88
Cr.	
Balance Brought forward	$ 49,082.72
Interest on Investments, and net rental from Office Premises, etc.	279,718.16
Total	$ 328,800.88

W. GILLESPIE, Manager. THOS. H. WOOD, President.

Property Management

Our Property Management Department is saving money for many owners and more than likely can save money for you. Consult us about your property. Our services are at your disposal.

McWILLIAMS & BROUGHALL
288 Bay Street Toronto
Elgin 4182

DRURY & THOMPSON
Members
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET
MONTREAL
360 St. James Street HArbour 1254

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

Capital: $1,000,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE EASTERN TRUST COMPANY
Head Office — Halifax, N.S.
Saint John, N.B. St. John's, Nfld. Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

EST. 1855
5% INTEREST paying INVESTMENT DEBENTURES
ISSUED IN SUMS OF $100 AND UPWARDS
HEAD OFFICE—Toronto
CANADA PERMANENT Mortgage Corporation
COR. BAY & ADELAIDE STS. TORONTO
Assets exceed $66,500,000

The Willison Neely Corporation Limited
DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CANADIAN PACIFIC BUILDING TORONTO
MONTREAL LONDON HAMILTON OTTAWA WINNIPEG

OFFICES IN 51 CITIES
In 1930
Investors Syndicate
Paid to its Certificate Holders
$3,256,825.47
PROMPTLY, AS ALWAYS, UPON MATURITY
Resources of Investors Syndicate increased $6,603,777 to a new total:
RESOURCES DEC. 31, 1930
$38,810,115.81
Capital, Surplus and Reserve Increased $1,189,836 to a Total of
$5,206,492.92
The Resources of Investors Syndicate have increased every year for 37 years
INVESTORS SYNDICATE
FOUNDED 1894
LIMITED
NORTHERN ONTARIO BUILDING, TORONTO
Vancouver - Regina - Edmonton - Montreal - Winnipeg - Calgary

CAN. PERMANENT PROFIT FOR YEAR IS 14.1 PER CENT

Grows Substantially in Debentures Issued and Deposits Received

INVESTMENTS HIGHER

Holdings of Government and Other Bonds, and Cash Advance Greatly in Year

Canada Permanent Mortgage Corp. in the year ended Dec. 31, 1930, earned $989,516, or 14.1 per cent, after all deductions, on its capital of $7,000,000, compared with $1,058,271, or 15.1 per cent in the previous year. It is understood that the decline of 1 per cent is accounted for by the extra expenses incurred in the removal to the new head offices in the course of the year.

The dividend of 12 per cent was continued. The annual meeting will be held on January 30.

Office premises, including the eight branches, now are carried at $4,492,247, compared with $3,919,509 a year ago. Although this corporation has large sums invested in farm mortgages, the amount of real estate held for sale is up only slightly, from $320,220 to $339,097.

Bond Investments Grow

Principal amount of mortgages now is $55,205,720, compared with $55,501,574 a year ago. Accrued interest is increased from $853,411 to $1,079,972. Investment in government bonds is increased from $860,105 to $1,716,251. Government guaranteed bonds are up from $375,504 to $632,496. Municipal bonds are increased from $370,808 to $694,512. Other bond investments are reduced from $1,151,724 to $1,000,131. Investment in stocks, including $980,000 of Canada Permanent Trust, now total $1,641,437 compared with $1,491,513 a year ago. Cash is increased from $1,661,815 to $2,276,983.

Debentures, Deposits Much Higher

Debenture stock and accrued interest shows slight change at $793,932. Debentures issued in Great Britain are increased from $11,719,415 to $11,823,813. There is a substantial growth in debentures issued in this country, the amount now being $26,263,911, compared with $24,488,237 a year ago. Deposits likewise have grown substantially, the amount now being $14,750,285, compared with $14,117,119 at the end of 1929.

The reserve fund remains at $8,000,000, which is $1,000,000 in excess of the capital.

The following table shows the growth of the corporation in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earned %	Div.
1917	6,000,000	852,325	14.2	10
1918	6,000,000	824,532	13.7	10
1919	6,000,000	827,984	13.8	10
1920	6,000,000	854,277	14.2	10
1921	7,000,000	896,366	*13.7	12
1922	7,000,000	903,019	12.9	12
1923	7,000,000	911,798	13.0	12
1924	7,000,000	922,683	13.1	12
1925	7,000,000	946,167	13.5	12
1926	7,000,000	967,724	13.8	12
1927	7,000,000	1,009,601	14.4	12
1928	7,000,000	1,046,788	14.9	12
1929	7,000,000	1,058,271	15.1	12
1930	7,000,000	989,516	14.1	12

*$6,000,000 for the first six months and $7,000,000 for the second six months.

MIDLAND SAVINGS HAS RECORD YEAR

Highest Earnings in History; Pay 12 Per Cent in Dividends

Midland Savings & Loan, Port Hope, Ont., reports higher gross and net earnings for the year 1930, than for any other year in its history. The regular dividend was increased from 8 to 10 per cent and the bonus of 2 per cent was continued for the fourth year.

After all deductions, earnings of $60,732 are 16.8 per cent on the capital of $360,000, compared with $60,440, or 16.7 per cent for the previous year. A further $15,000 was added to reserve, bringing that fund to $460,000.

Mortgage investments are increased from $2,576,613 to $2,719,163. Loans on the company's own stock are reduced from $1,086 to $600. Government bonds are increased from $100,073 to $125,071. Guaranteed bonds are down from $19,070 to $18,645. Municipal and school debentures are reduced from $99,613 to $81,800. Other bonds are now $58,805 compared with $59,910 a year ago. Cash is reduced slightly, from $158,727 to $157,071.

Debentures held by the public are increased from $1,788,811 to $1,925,900. Deposits are reduced slightly from $339,647 to $324,890.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earned %	Div. Rate
1922 ...	360,000	52,725	14.6	8+1½
1923 ...	360,000	48,459	13.4	8+1
1924 ...	360,000	52,920	14.6	8+1
1925 ...	360,000	53,063	14.7	8+1
1926 ...	360,000	53,427	14.8	8+1
1927 ...	360,000	56,075	15.5	8+2
1928 ...	360,000	57,338	15.9	8+2
1929 ...	360,000	60,440	16.7	8+2
1930 ...	360,000	60,532	16.8	10+2

SECURITY LOAN PROFIT IS HIGHER

St. Catharines Company Holds More Real Estate For Sale

Security Loan & Savings Co., St. Catharines, increased its profits in the year ended December 31, 1930. Earnings of $58,571 equal 10.8 per cent on the capital of $539,800, compared with $57,529, or 10.6 per cent in the previous year. The dividend of 7 per cent was continued at $20,000 was added to the reserve fund, bringing that item to $335,000. The annual meeting will be held on February 19.

Mortgage investments are slightly higher, $1,750,627, a year ago compared with $1,761,842 now. Loans on the company's own stock are increased from $8,638 to $9,274. Government and other bonds remain the same at $223,898. Properties held for sale have increased from $2,446 to $42,471. Cash is up from $18,993 to $38,390.

Debentures outstanding have increased from $789,076 to $889,795. Deposits are lower, the drop being from $362,303 to $340,543.

Following is the record of the company in recent years:

Year	Paid-up Capital	Profits	Earned %	Div.
1915	$500,000	$41,278	9.1	6
1916	521,000	46,623	9.2	6
1917	524,200	44,378	8.5	6
1918	524,200	47,022	9.0	6
1919	532,300	47,357	9.1	6
1920	532,300	43,592	8.1	6
1921	532,300	43,707	8.2	6½
1922	534,700	48,998	9.2	7
1923	536,100	49,575	9.2	7
1924	538,200	50,942	9.4	7
1925	539,800	53,319	9.8	7
1926	539,800	56,601	10.5	7
1927	539,800	56,601	10.5	7
1928	539,800	58,183	10.7	7
1929	539,800	57,529	10.6	7
1930	539,800	58,571	10.8	7

Canadian Cons. Felt Withholds Dividends

From Our Own Correspondent

MONTREAL.—After a brief interlude in which 12½ per cent was paid between March, 1929, and June, 1930, dividends on the preferred shares of Canadian Consolidated Felt Co. have again been omitted. The stock is now 93.5 per cent in arrears.

Though earnings of the company had been unsatisfactory for many years,—no dividends were paid between 1914 and 1929,—profits increased in recent years to the extent that in 1928 they were equal to $14.18 a share on the preferred. In March, 1929, quarterly payments at the rate of 2½ per cent were begun, indicating an annual rate of 10 per cent as compared with dividend requirements of 7 per cent. These were continued till June, 1930, but no disbursement has been made since that date.

Canadian Consolidated Felt is controlled by Dominion Rubber Co. The company operates two plants in Kitchener producing general felt goods, boots, overshoes and similar products.

ALGOMA SCHEME FULLY ENDORSED BY BONDHOLDERS

Only Deposit of Lake Superior Stock Necessary to Complete Plan

From Our Own Correspondent

MONTREAL.—Bondholders of Algoma Central and Hudsons Bay Railway Co. and Algoma Central Terminals, have approved of the scheme of arrangement with Lake Superior Corp., whereby the latter is relieved of all obligation in respect to the guarantee of principal and interest on the former companies bonds. At the end of 1930 the arrears of guaranteed interest amounted to nearly $10,000,000, on about $15,000,000 of par value of the two groups of bonds concerned.

Directors of Lake Superior Corp. are now sending out a letter to the shareholders pointing out that one of the remaining steps necessary in order to make the scheme of arrangement effective is the deposit of 75 per cent of the outstanding shares of the Lake Superior Corp. on or before January 31.

These are to be exchanged on the basis of one share of 7 per cent cumulative preferred stock, $5 par value, and one share of no par common stock of the new holding company, to be known as Algoma Consolidated Corp., for each share of Lake Superior Corp. capital stock now held.

Need Stockholders' Approval

The approval of the scheme of arrangement now depends upon Lake Superior shareholders depositing their stock.

The obligation connected with the old guarantee of principal and interest on the bonds has been overhanging Lake Superior Corp. for many years. So far as the principal is concerned, the total exceeds $15,000,000, consisting of $10,080,000 of 5 per cent first mortgage fifty year gold bonds of Algoma Central and Hudsons Bay Railway, and £1,025,000 of 5 per cent first mortgage fifty year gold bonds with Algoma Central Terminals. On the Railway bonds, interest up to the first of December, 1930, was in arrears to an amount of $8,015,000 while interest on the Terminal bonds will be in arrears up to February 1, 1931, to an amount of $1,759,931, a combined total of arrears of interest of $9,773,531.

Arrears of interest are accumulating at present on the old arrangement at the rate of $504,000 per annum on the railway bonds, $99,854 on the terminal bonds.

Frees Lake Superior

The new scheme of arrangement will leave Lake Superior Corp. entirely free of any obligation, either for principal or interest, in connection with these bonds, for the past as well as for the future. Both of the guaranteed bond issues will be replaced by new unguaranteed securities, the Algoma Central Terminal issue being reduced by $2,000,000.

Wabana Operations Started by Dominion Steel & Coal

From Our Own Correspondent

MONTREAL. — Work has been resumed at the Wabana iron ore mines by the Dominion Steel and Coal Corp.

During the closedown period considerable repair work was carried out at No. 3 mine, where the fall of roof was caused by the breakaway of a 20-ton car early in December, thus providing employment for a double shift since the date of closing. A similar clean-up has been carried on in No. 6 mine, where a large portion of the roof has been taken down in the main slope close to the entrance and timber placed to prevent possibility of other falls in future.

While no actual construction work has been done, the holiday period brought almost continual employment to many of the workmen, with the result that the depression has not as yet been seriously felt. Operations are now being carried on on a half-time schedule.

Promotions Announced in Dunlop Tire Sales

E. C. Martin, general sales manager of the Dunlop Tire & Rubber Goods Co., announces the following changes in the sales personnel of the company:

G. H. Tiernan is now in charge of Vancouver territory, in place of G. H. Clotworthy, who has resigned.

J. E. Hallonquist is in charge at Calgary, following the promotion of H. H. Lewis, former manager, to the position of western sales manager.

F. O. Brand is in charge at Saskatoon, in place of H. Smith who has been transferred to Regina branch as manager.

S. C. Mitchell, formerly manager at Regina, is now manager of Winnipeg division, in place of R. McKinnon, who has resigned.

McA. Campbell, formerly in charge of manufacturers' equipment sales at head office, is now in charge of the company's sales in the Maritime provinces, in place of W. H. Donovan, who has been made manager of Hamilton division, following the resignation of J. J. Patterson.

TORONTO MORT. PROFITS HIGHER FOR LAST YEAR

Increase in Capital Reflected in Greater Volume of Mortgages

Profits of Toronto Mortgage Co. in the year ended December 31, 1930, was $119,185, compared with $110,877 in the previous twelve months. This is the equivalent of 13.6 per cent on the paid up capital of $974,887 in the latest year, compared with 15.3 per cent on the capital of $724,550 in 1929.

The company in the last year increased its issue of capital to $1,000,000. More than 90 per cent of the new stock was taken up by old shareholders and the few hundred shares remaining on hand will be sold by the directors when conditions are favorable.

Collections Remain Good

The higher capital has increased the volume of business which the company has been able to accept, but owing to the fact that the company does not take credit for accrued interest on any of its investments, the full benefit of the higher volume of business will not be reflected until the statement for the present year is available.

For the 24th year in succession, the company completed its year without any real estate on its hands for sale, through default or otherwise. Out of the total revenue of $279,718, only $2,507 was outstanding at the end of the year.

Adds to Mortgages

There is a material increase in mortgage investments, the total now standing at $3,987,042, compared with $3,450,327 a year ago. Bond investments are down slightly, from $339,341 to $305,506. Stocks fully paid remain the same at $92,200. Cash in bank is increased from $39,695 to $129,286.

Sterling debentures are increased from $1,545,125 to $1,694,775. Debentures issued in Canada are reduced slightly, from $579,452 to $561,390. Savings deposits are up from $87,440 to $92,966. Accrued interest and tax reserves bring the total liabilities to the public to $2,385,583 compared with $2,286,247 a year ago.

Subscribed capital now stands at $979,050, and paid up capital is $974,887. The reserve, which was $900,000 a year ago, is now $1,151,154, the difference being the premium paid on new stock issued.

The following table shows the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$724,550	$93,386	12.9	9
1921	724,550	91,396	12.7	9
1922	724,550	88,286	12.2	10
1923	724,550	91,618	12.7	10
1924	724,550	99,860	13.8	10+1
1925	724,550	95,659	13.3	10+1
1926	724,550	112,447	15.6	10+1
1927	724,550	111,537	15.4	10+1
1928	724,550	112,628	15.5	12
1929	724,550	110,877	15.3	12
1930	974,887	119,185	13.6	12

LAMBTON LOAN CO. EARNS 12 PER CENT

Operations in Last Year Cover Usual Dividend and Bonus

Lambton Loan & Investment Co., Sarnia, Ont., in the year ended December 31, 1930, earned $95,160 or 12 per cent on its capital of $789,750, compared with $100,726, or 12.7 per cent in the previous year. The dividends of 10 per cent plus 2 per cent bonus were continued. Surplus is $35,374.

Real estate owned has increased from $32,435 to $38,214. Principal and accrued interest in mortgages are reduced from $4,131,894 to $3,982,609. Loans on the company's own stock are increased from $37,434 to $42,050. Loans on other securities are reduced from $178,993 to $164,303. Investment in bonds is reduced from $488,809 to $479,433. Stock in the Lambton Trust stock is carried at $180,000, as formerly.

Debentures outstanding are reduced slightly, from $1,839,139 to $1,809,589. Deposits are down from $1,155,241 to $1,098,234. The reserve fund remains unchanged at $950,000.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earned %	Div.
1927	$789,750	$108,990	13.7	10+2
1928	789,750	109,176	13.8	10+2
1929	789,750	100,726	12.7	10+2
1930	789,750	95,160	12.0	10+2

Lambton Trust Co. Increases Its Profits

Lambton Trust Co. of Sarnia, subsidiary of the old-established Lambton Loan & Investment, in 1930 earned 7.5 per cent, or $12,019, on its paid up capital of $160,500, compared with 7.3, or $11,762, on its paid up capital of $159,500 for the previous year.

Company funds are increased from $203,794 to $211,658. Estates trusts, and agencies are up from $130,123 to $140,928. The general reserve has been increased from $25,000 to $50,000, and an organization reserve of $5,155 has been put into profit and loss.

The following is the profits record of the company:

Earnings Record

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1928	$159,250	$2,376	1.4	....
1929	159,500	11,762	7.3	....
1930	160,500	12,019	7.5	....

Asbestos Exports in 1930 Lower for All Grades

From Our Own Correspondent

MONTREAL.—Shipments of asbestos from Quebec in 1930 were a reflection of the difficult times being experienced by this industry, the total of the various grades having declined as compared with 1929 or 1928.

Shipments of Crude No. 1 last year totalled 594 tons as compared with 916 and 910 in 1929 and 1928, respectively. Crude No. 2 shipments for 1930 totalled 1,063 tons, as against 2,565 in 1929 and 2,211 in 1928. Fibre shipments of 66,830 tons compare with 94,389 tons and 86,382 tons in 1929 and 1928 respectively. Shipments of shorts in bags totalled 72,115 tons last year as against 91,360 tons in 1929 and 95,219 tons in 1928. Refuse in bulk, in 1930, amounted to 4,212 tons, compared with 4,684 tons in the preceding year and 8,372 tons in 1928.

Dominion Steel & Coal Gets Rail Order from C. N. R.

From Our Own Correspondent

MONTREAL.—It is officially stated that the Canadian National Railways have placed an order for 30,000 tons of 130-pound rail with the Sydney mills of the Dominion Steel and Coal Co. About 3,000 tons have already been manufactured.

This plant is also expected to benefit by an order for 1,700 tons in connection with the steel car equipment order recently placed by the Canadian National Railway with the Eastern Car Co. at Trenton.

Eighty-fourth Annual Meeting

Canada Life Assurance Company

Mr. Leighton McCarthy, President, Makes Annual Address

General Business Review

The year 1930 has been marked by a world wide economic crisis, accompanied by virtually world wide political tension, the result of which is perhaps without a parallel in history. The economic crisis and the political tension, reacting one on the other, have formed a vicious circle.

It has been not only the worst year since the World War, but one of the worst years in the past century.

While well-to-do people of all countries have seen their savings melt away in successive stock exchange crashes, millions of workers have lost their jobs, and the extraordinary spectacle is presented of half the world overloaded with products which the other half of the world would like to buy, but cannot afford.

Revolutions and war talk, resulting partly from bad economic conditions and world wide human misery, interfered effectually with the normal flow of trade and credit, thereby making both the economic crisis and the political tension worse.

Situation In Canada

The citizens of Canada, we are told and we believe, suffered less by reason of these adverse world conditions than those of any other country in the world. Nevertheless we have gone through a very severe process of readjustment, lowering of prices and slackening of trade, throwing large numbers of persons anxious to work out of work, with resultant hardship and suffering.

The Wheat Situation is our most serious problem, involving the direct welfare of a large and important section of our people, and affecting all our Trade and Industry.

From a Canadian standpoint, that a year when one of the best graded crops of wheat has been produced should be marked by a decline in prices unprecedented in history, is most distressing, but nevertheless a fact.

So much has been said and published with reference to Wheat and almost every other of the world's commodities, that repetition is unnecessary and undesirable, either as to its cause or as to when we may expect a return to normalcy. My sentiments with respect to these questions are admirably expressed in the recently published poem of that modest poet, W. T. White, entitled, "Nobody Knows for Certain at All," from which I quote:

"So far all efforts have been in vain.
But everybody is doing his best,
President Hoover and all the rest,
Captains of industry, financiers,
Doctors, lawyers and engineers,
Politicians and journalists,
Preachers, professors, economists,
Efficiency experts and psychologists,
To work the baffling puzzle out,
And they'll succeed without a doubt,
But when ....
Nobody knows for certain at all."

Banks and Loaning Corporations on the whole have done everything possible to minimize the hardship of the individual and the dislocation of his activities. The dependable, conservative customer has been enabled to carry on, and the well-intentioned borrower is not being unduly pressed.

As to our Western farmer, one cannot but be impressed by his recuperative power and by his determination not to be permanently disheartened by setbacks which are really only temporary, though they may seem to be uncomfortably frequent. This dauntless spirit is the nation's first line of defence, and the most potent protection of the important investments made by loaning Companies in the grain growing Provinces.

For many years we have advocated diversification in agriculture, which I believe is making progress. As it does, the farmer becomes less dependent upon a single source of income, and his revenue will be more stable. So let me repeat my statement of last year, that more and more does it become evident that an increase in mixed farming, poultry and dairy products, would be of great advantage to the Western farmer, in the way to giving him more diversified sources of income.

Canada In Favored Position

Against the background of this world-wide depression, conditions in Canada seem relatively favorable. The volume of agricultural production during 1930 was more satisfactory than in 1929. The salmon industry in British Columbia set in volume a new record in 1930. The newsprint production, while showing a decline, was, however, 2,313,225 tons during the first eleven months of 1930, as compared with 2,495,628 tons in 1929. During the latter part of the year 1930 increased activity was reported in many important branches, such as flour milling, boots and shoes, electrical equipment and the textile industry. This improvement came too late to result in any substantial gains for the year being reported, but it is hoped that the activity will continue and result in a better showing for the coming year.

Hydro-Electric Development

The development of Canada's water power, both in the construction of new plants and the extension of existing ones, proceeded with undiminished vigour and was maintained at a high level in the Dominion during 1930. These activities were not confined to restricted districts, but were carried on in practically every Province. New installations brought into operation during 1930 aggregated 397,850 horsepower, making the total installation for the whole Dominion 6,125,000 horsepower. Construction has proceeded on a number of undertakings throughout the country, several of which are of outstanding magnitude, and with the completion of these during the next two or three years more than 1,500,000 horsepower will be added to the Dominion's total.

The programme of construction outlined involved a probable expenditure of $80,000,000 during last year, and will involve as much as $300,000,000 during the next two or three years. It is estimated that more than 11,000 men are at present employed in the actual construction of the various developments which are now under way.

It seems evident that the rate of growth of recent years will not only be maintained but will be considerably increased, and we are informed by the Government Department that there is yet awaiting development approximately 29,000,000 horsepower.

Building construction has been proceeded with on a substantial basis during the year, but the total value of contracts awarded shows a considerable falling off from both 1929 and 1928.

Mining and Metallurgical Development

The Mining Industry has shown continued expansion during 1930. Many new projects have been completed and extensive development work carried on. Prices of many products have shown radical declines, and some operations have been curtailed or discontinued. On the other hand, increased production has been reported in many important fields, most notable of which is the output of Gold in Canada, which in 1930 exceeded by $3,362,195 the production of 1929, Ontario contributing $35,500,000 out of a total production of $43,200,000. It is predicted that in all probability there will be a gain this current year of twenty-five per cent over last year.

Employment Situation

Contrasting conditions in Canada with those in other countries, it seems evident that our employment is being held at relatively higher levels. Our whole industrial activity has been maintained at a surprisingly high level, and Canada seems to be coming through the world-wide depression in much better condition than have other countries, which is tangible evidence that, upon the return of normalcy in world affairs, Canada will stand prepared to resume that expansion and development which were taking place within her borders a short time ago.

Canada's natural resources are barely touched, and it is natural resources, developed with intelligence and courage, that make a nation rich.

Railways Are Stable

Our Railways have suffered by reason of the depression in business, but we are assured by the Chief Executive Officers of each that they see no reason for alarm. They have energetically proceeded in those things which relate to the maintenance and improvement of their property realizing that our Country and its resources have not altered. They have each stated their faith and belief in Canada, and in her ability to continue to progress and develop.

Financial Institutions Sound

The Banks and other financial institutions of this country, speaking generally, are basically in a sound condition, due to the exercise, in the more prosperous times of the immediate past, of that foresight which anticipates and provides for loss, partial or total, before it becomes an actuality. They find themselves in a liquid position, with ample funds available to meet all legitimate payments. There have been no failures of any Banks in Canada; there has not been nor is there any likelihood that there will be any lack of banking credit, when the incoming tide of business prosperity reaches Canada.

Development and Stabilization of Canada

The Maritime Provinces have still their coal and steel industries, lumber, pulp and paper industries, and their splendid fisheries.

The Province of Quebec has still its magnificent water power developments and attendant industries, and in fact has vastly increased its development of water power, and has increased its mineral development in the north-west portion of the Province.

The Province of Ontario has still its wonderful Hydro-electric developments, its mineral development in Sudbury and the northern districts, together with its pulp, paper and other industrial activities.

The Prairie Provinces have continued their stabilization by industrial and mineral development, and still have their vast acreage of fertile soil.

The Hudson's Bay Railway is almost completed.

The development of the Peace River District, to which I referred in my address of last year, has been temporarily checked, but nevertheless a vast acreage of magnificent fertile soil, with unique climatic conditions, still remains awaiting development.

British Columbia still has its timber, fisheries, mineral and water power resources, and its terminal and harbour facilities at Vancouver, ready to take advantage of the increased trade which it is anticipated we will do with China and Japan.

Canada's potential resources have not changed, and we are assured by our financiers that our basic conditions are sound. We therefore can surely look forward with courage and faith to a greater development and expansion, as soon as world conditions become settled.

The Governments, Federal, Provincial and Municipal, with the help of our philanthropic citizens, have grappled with the question of unemployment and its attendant hardships and miseries, in such a way as to cause pride to all Canadians. Much, however, remains to be done, and it is my firm belief that it will be done.

Soundness of Life Insurance

Never before has Life Insurance been as large a factor in life as it is today. In no previous period, not excepting the war years and the influenza epidemic of 1918-1919, has it rendered a service so large, so immediate and so necessary as it has rendered in the year 1930. Its vast reserves have lessened the force and effect of this depression on all citizens, as well as upon the individual policyholders and beneficiaries directly benefitted. It has been and is radiating confidence, dispelling fear and stimulating prosperity. It is building for peace, but is also a strong ally of the nation in the dire event of war. During this past year, when the business horizon has been closely watched for wholesome signs, Life Insurance statistics have been an outstanding source of encouragement. They have furnished striking evidence of the sound common sense of the people, their vision, courage and abiding confidence in the future.

Magnitude of Life Insurance Business

It is estimated that the amount of Life Insurance in force on this Continent, as of the 31st of December, 1930, was approximately one hundred and twenty-five billions of dollars; and the amount of Life Insurance in force in Canada, as of the 31st of December, 1930, was approximately seven billion dollars.

The past year's payments by Life Insurance Companies on this Continent have exceeded by hundreds of millions of dollars the amount of Life Insurance policy payments made in any previous year. They have been made through funds readily available, without weakening the financial structure and despite the business depression or difficulties in the financial world. This money was available, not because of any financial magic of Life Insurance executives, but because of the sound practice covering the adminstration of the business. Maturities were anticipated, and the money was on hand. Death claims and all other demands have been met as easily and as promptly as in the times of greatest prosperity. Returns to policyholders by way of dividends have been made as usual. These payments represent the full value of every contract obligation, without diminution.

Distribution of Benefits

It is estimated that Canadian companies paid approximately two hundred million dollars during 1930 to policyholders and beneficiaries. Out of this the sum of one hundred and thirty-five million dollars was paid to living policyholders as dividends, matured endowments, annuities, disability benefits and surrender values. The amount paid in cash surrender values will be larger than usual this year. Occasions will arise, particularly as in the past year, when, all other resources having failed, the policyholder turns to the cash surrender value of his insurance. But here we must recognize—conscious as we are of the loss of protection involved—that Life Insurance in this way serves present human needs.

The balance of sixty-five million dollars has been or will be paid to the beneficiaries of deceased policyholders.

A Stabilizing Power

It is not difficult to measure the importance of these payments to beneficiaries at a time like the present, when to secure employment is difficult. Such money is indeed a Godsend in those cases, and in a vast proportion of cases it reaches where Life Insurance is the sole dependence of the family.

Undoubtedly Life Insurance is a great aid to the maintenance of economic stability, and contributes substantially to the resilience of a nation. It also provides at all times, and particularly in periods like the present, an exhaustless reservoir of faith and confidence, which are the chief leaders of all the forces that make for progress.

Canada Life Progress

For our own Company, we have to announce that during the year 1930 we reached and passed the one billion dollar mark of Insurance in force. Our associates in the Field have again, through unremitting and well directed effort, notwithstanding the very trying and depressing conditions existing throughout the whole year, paid for one hundred and thirty-two million, forty-eight thousand, six hundred and thirty-two dollars of new assurances. The Company also sold annuities with considerations of three million, one hundred and ninety-four thousand, three hundred and nine dollars.

The result of the year's work, after deducting death claims, matured endowments and other terminations, has been to increase our business in force to the sum of one billion, fifteen million, seven hundred and eleven thousand, seven hundred and one dollars.

I congratulate most heartily all the members of our Office and Field forces in Great Britain, Ireland, the United States, Hawaii, Newfoundland and Canada, and desire to express my gratification at their splendid work. I leave it to the General Manager to speak more particularly with reference to it, and their contribution to our year's business, as well as in regard to the promotions and official changes that have taken place within our family.

Surplus Earnings

After providing adequate appropriations for taking care of any doubtful securities, increasing our Contingent Reserves, and creating a New Building Equipment Reserve, the Earned Surplus of six million, two hundred and sixty-eight thousand, four hundred and ten dollars, exceeding the Surplus Earnings of any previous year, must, under the distressing conditions existing throughout the year, be deemed gratifying. It reflects an encouraging rate of mortality, a wise selection of lives, and satisfactory earnings from our carefully selected investment securities. We now have Contingent Reserves of one million, six hundred and fifty-eight thousand, four hundred and eighty-four dollars.

Investments

The Investment policy of your Company has always been to maintain a standard of investments based on security of principal and stability of earning power, at the same time maintaining a selection and diversification of investments which would meet all the tests to which economic and financial disturbances might subject it.

The watchwords handed down from the days of the Company's founders have been "Prudence," "Sagacity" and "Stability," with reference to investments. It is the endeavour of those now responsible for your investments to be governed as closely as it is humanly possible by these words.

Certainly the conditions obtaining through the whole of the year 1930 put all investment policies, as to their wisdom or otherwise, to the acid test. It is therefore with consummate satisfaction, not to say pride, that we report that we have made appropriations for taking care of any doubtful securities, maintained our Reserves intact, and that, valued on the basis authorized by the Government, or even at the low of the year, our investments show a very substantial surplus over book values.

Our Mortgage Loan business, on the whole, continues decidedly satisfactory. In the Eastern Canadian field the interest payments which, in 1929, we thought could hardly be improved upon, have, notwithstanding the adverse conditions, we are pleased to report, been excelled in 1930, as the arrears are only .02 per cent of the amount invested, or $6,753 on an investment of upwards of twenty-six million, four hundred thousand dollars.

The City Mortgage Loans in the Prairie Provinces, it is satisfactory to report, are at present carrying a minimum of interest arrears amounting to less than $4,000, on an investment of nearly seven million, five hundred thousand dollars.

The Farm Mortgage loans in the Prairie Provinces must of course this year reflect the conditions prevailing there through low prices for both grain and livestock, taken in conjunction with crop failures in some areas and badly damaged grain in others. Naturally, the ability of farmers to meet their obligations is contracted, and will remain so until prices are on the upgrade. There is a tendency, however, for publicity to be shed on the dark features of the Western situation, without proper prominence being given to the fact that there will be a large proportion of the farmers in that country who even this year will meet their obligations. These individuals are the backbone of our great West; they are conservative in their operations, are generally good managers and do not undertake in better years what they know they cannot carry through a period of depression. Owing to the fact that our mortgages are placed through our own organization of trained managers and inspectors, and that every property is therefore inspected by our own men, who obtain reliable information regarding the personal standing of the borrower, we have maintained a high standard in our selection, and I am, therefore, able to say that, at the end of the year, the arrears of interest on our Farm loans in Prairie Provinces amounted to approximately 3.07 per cent of the total amount invested in these loans, and that the number of farm properties foreclosed and unsold on our hands at that date was thirty-one, and represents on our books a value of $81,000.

I may say that during the year principal payments of one million, five hundred thousand dollars were collected, which is over five per cent. of the amount invested in Farm and City loans in the Prairie Provinces, and that, up to the date of our annual balance sheet, we had obtained payment of 75 per cent of the interest falling due on those mortgages during the year.

These percentages of arrears on farm properties are, of course, heavier than in normal years, but the total of arrears and foreclosed properties is covered many times over by the Contingent Reserves which we have established in years past. We have always recognized the temporary recurring vicissitudes of a country where the major activities are subject to the uncertain influences of the elements and world markets, and for this reason we have for some years made this portion of our lending business stand on its own feet by providing from the income from these investments sufficient to build up adequate reserves before crediting the balance to our income account. The wisdom of this policy is beyond question.

Mortgage Situation Summarized

Viewing our whole Mortgage situation, as of the 31st of December, 1930, we have invested slightly more than fifty-nine million dollars. The value of diversification and careful selection of mortgages is well shown when we note that our total arrears of interest, even under present conditions, are only 1.12 per cent of our total mortgage investments.

We continue to hold a very substantial portion of our assets in Government, Government guaranteed, Provincial Government and Municipal Bonds.

Assets

Our Treasurer reports our assets as now totalling the sum of one hundred and eighty-eight million, two hundred and twenty-five thousand, one hundred and forty-eight dollars, an increase of fourteen million, four hundred and fifty-seven thousand, four hundred and eighty dollars for the year. The average rate of yield of 5.94 per cent, while somewhat less than last year, must under existing conditions, be considered gratifying.

New Head Office Building

It is my pleasure to report that the architects and contractors have lived well within the schedule, and that the stately edifice erected at the corner of Queen Street and University Avenue for our future Head Office purposes nears completion. We are assured that we shall be in occupation of it in the last days of March or opening days of April.

London, England, Building

We have also to report that we found ourselves outgrowing our London, England, office building, and your directors authorized additions to be made thereto, which are now in process of construction, enlarging the premises so as to give the necessary space for taking care of the steadily increasing and expanding business in the Great Britain Branch.

Within ten days after our last Annual Meeting, at which he delivered a stirring address on behalf of the officers of this Company, Thomas G. McConkey, our General Manager and a Director, passed away. He had been associated with the company since 1911, was beloved by all, and indelibly impressed upon all those associated with him his magnetic personality and dynamic energy. No greater tribute to his splendid organizing ability could be paid than the fact that he had this Company so well equipped in man power that the reorganization rendered necessary by his sudden death was immediately carried out without going outside our ranks, or creating friction of any kind.

Mr. A. N. Mitchell, the Assistant General Manager of the Company was in January elected by your Directors General Manager. He has risen by merit and ability to the important position he now occupies. Mr. Mitchell was, on the twelfth day of April, elected a Director of the Company, to fill the vacancy caused by the death of Mr. McConkey. His promotion came as a recognition of his splendid equipment and his place in Insurance, and in the belief that in this capacity he would be better able to serve the interests of the Company.

Your Directors were, last February, greatly distressed by the death of their colleague, Frederick Le Maitre Grasett, M.B., C.M., Edin; M.R.C.S., England. Dr. Grasett was Medical Director of the Company from 1900 to 1918; Consulting Medical Director from 1918 to 1930, and a Director from 1914 to 1930. He served the Company efficiently and well, and much to its advantage, during the many years he was connected with it.

In the month of July Mr. W. N. Tilley, K.C., of Toronto, was good enough to accept a seat upon the Board, to fill the vacancy created by the death of our late colleague, Dr. Grasett. Mr. Tilley who is a Director of the Canadian Pacific Railway and the Bank of Montreal, has already displayed a very keen interest in the success of the Company, and will, I am sure, be of great assistance in furthering its progress.

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

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The record of this service is ample evidence that those who retain us to appraise property are well satisfied.
If you need an appraisal for legal, financial or other purposes, consult us.
28 Adelaide St. West
Toronto
Phones Waverley 1031-2-3

To Assist You In Making Your Will
We have prepared some very interesting literature in descriptive form which is now ready for distribution. It contains much information of value to those contemplating this important duty.
A copy will be forwarded, without obligation, upon request.
THE STERLING TRUSTS CORPORATION
10-12 East King St., TORONTO
Branch:—REGINA

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 22, 1931 | 10c a Copy; $5.00 a Year | No. 4

Self-Styled Oldest Bond House Has Long Promotions Record; Bankrupt as Chiefs Face Courts

Warrants Sworn Out by Government of Ontario Against Four Officers

COMPANIES TANGLED

Promotions Included Several Real Estate Propositions in Toronto and on Pacific Coast

Following bankruptcy proceedings involving promotions of G. A. Stimson and Company, Toronto and Vancouver, criminal proceedings were instituted last week by the attorney-general of Ontario against the principals of the firm. Action taken may be summarized as follows:

F. GRAHAM JOHNSTON, president, conspiracy to defraud. Arrested and held in $50,000 bail.

LAURENCE E. CLARK, vice-president, conspiracy to defraud. Arrested and held in $50,000 bail.

WILLIAM J. DOW, secretary-treasurer, a material witness. Arrested and held in $3,000 bail.

Dr. HENRY H. THOMAS, former sales manager, conspiracy to defraud. Not yet arrested. Believed to be in Boston.

G. T. Clarkson, custodian under the bankruptcy proceedings, is now preparing statements of the position of the different companies whose affairs are badly entangled and are so intertwined that a longer than ordinary period will be necessary to determine the relative position of different groups of creditors and investors.

It is believed that between 5,000 and 10,000 investors from British Columbia to Prince Edward Island will lose in the various enterprises sums that will probably exceed $5,000,000.

Readers of The Post Given Ample Warning On Stimson Ventures

Readers of The Financial Post have been warned over a period of five years not to invest in projects sponsored by G. A. Stimson and Co.

In December 1926, when Merchants Exchange Building, Vancouver, was financed, attention was directed to the lack, in the prospectus, of certain essential information.

In 1927 when the debentures of National Debenture Corporation were offered articles were published calling attention to the fact that the assets back of the securities were not specified and advising against investment. Subsequent articles from time to time revealed the unsatisfactory trend of the corporation's affairs.

The first issue of preferred stock of Commerce and Transportation Building in 1927 was criticized in The Financial Post. Reference was made to the $850,000 construction loan or mortgage on the building, which was not mentioned in the prospectus.

The next year, when a new company with enlarged capitalization offered securities in this enterprise, a more complete expose was published and the registry office record of the mortgage was published.

Early in 1929 when the financing of the Marine Building was promoted The Financial Post published an article revealing the financial weaknesses of the set-up of the Stimson's Canadian Development Corporation and this was followed up by continued advice not to invest in the enterprise.

Later The Financial Post was the first to reveal that the position of debenture holders and stockholders in this enterprise had been jeopardized by placing a mortgage on the building ahead of their inter equity.

Further attempts by the Stimson Company to reorganize and merge their enterprises by means of Stimson Building and Investment Corporation financing, by the offer of their own six months notes or post-dated cheques and by the offer of short term notes of Stimson's Building and Investment Company were revealed in these columns.

Enquirers concerning stock in the Grand Central Market project in Toronto were advised against purchase and the reply sent to letters from readers was published in The Post.

History of Stimson Enterprises

G. A. Stimson and Co. Ltd. dates back to 1883 when the late G. A. Stimson went into the bond business under his own name. Col. Stimson was in later years regarded by many as the dean of the bond business in Canada, although there were disputants to this claim. Col. Stimson died in 1919 and the business was carried on by employees. Eventually his heirs were bought out and the business soon blossomed out in new character, offering a lower grade of security than Col. Stimson specialized in, his business having been confined largely to government and municipal bonds. The new group in control, headed by Col. F. Graham Johnston, in their subsequent advertising, made much of the fact that since 1883 every security sold by G. A. Stimson and Company had met principal and interest when due and the firm advertised "A record is better than a promise."

Was Claim Justified?

In view of the fact that the business had changed both as to ownership and character and that there was virtually nothing left of the old Stimson firm except the name, it was questionable if the use of the statement was ever quite justified. What is even more to the point, it is doubtful if it was accurate. For instance, before the war, The Financial Post recorded the purchase by G. A. Stimson and Company of large amounts of western municipal debentures, including, for example, one specific issue of the Town of Scott, Saskatchewan. It is presumed that the issue, when bought by the firm, was also sold by it to investors. Later the Town of Scott defaulted on its interest payments and came to an arrangement with its bondholders.

Toronto Bond Exchange Appears

In 1926 a company known as Toronto Bond Exchange made its appearance. It offered to the public its 6 per cent gold debentures in a circular signed by F. G. Johnston, as president. Mr. Johnston was labelled as "formerly" president of G. A. Stimson and Company and the circular definitely stated that the Toronto Bond Exchange was the successor of G. A. Stimson and Company. It was stated by Col. Johnston in the circular, that the business was the one founded 44 years previously by Col. Stimson and that the issue was made to reimburse the company for the capital withdrawn at the time Col. Stimson died. It also stated that the company was under the same management that had successfully managed G. A. Stimson and Company for many years. The names of many prominent and titled Britishers were given as among those who had invested in the securities of Toronto Bond Exchange. It is understood about $500,000 of the debentures were sold to the public, of which $247,000 are still outstanding. The Financial Post is informed that a large part of the funds was invested in a promotion of Stimson's that went by the name of Dominion Timbers and to which reference will be made later. It is understood that debenture holders received their interest until July 1 last when it was defaulted.

Stimson's Again Appears

Although Toronto Bond Exchange was stated to have acquired the business of G. A. Stimson and Company, the latter firm soon appeared again before the public. Apparently it had merely been in hiding. When requested by The Financial Post for an explanation of this apparent anomaly, Col. Johnston explained that in reality it was merely a group of investments owned by G. A. Stimson and Company that had been acquired and not the goodwill or name of the firm.

In any event, sale of debentures in Toronto Bond Exchange was very shortly suspended—after complaints had been voiced by Toronto Stock Exchange members concerning the use of what they considered a misleading name—and the name of G. A. Stimson and Company appeared on the doors and this concern was shortly found, in May, 1926, offering securities of National Debenture Corporation, labelled "a British type investment trust." Two issues of securities were offered, the first being 5½ per cent first mortgage bonds which, it was promised, would be secured by government and municipal bonds and first mortgages.

It is stated that about $450,000 of the 5½ per cent first mortgage bonds were sold, but most of those sold have been redeemed and that those outstanding are well secured by assets on which they are a prior charge. In fact holders of these bonds may lose nothing.

Debenture Issue Also

At the same time that the 5½ per cent issue was sold and apparently relying upon the advertising and goodwill created by the sale of these 5½ per cent bonds, an issue of 6 per cent debentures was offered to the public and a large amount, estimated at just under a million dollars, was sold. About $920,000 are still outstanding and the interest on these is understood to be in default. The basis on which the 6 per cent debentures was sold was not entirely fair to investors as they were led to believe by the company's literature and by representations made by salesmen that they were buying an investment trust security of the highest type. On the other hand, the funds were used very largely for speculative ventures, some of which proved unsuccessful and there is evidence that the funds of National Debenture Corporation were called upon from time to time to tide other ventures over rocky moments.

In August last, The Financial Post was supplied with a list of some of the investments made by National Debenture Company with the funds raised through the sale of the 6 per cent debentures of "a British type investment trust." Although there was nothing in the original prospectus of the company regarding engaging in real estate speculations some of the commitments engaged in were of this character.

Hotel Project Stillborn

The real estate speculations of National Debenture Corporation were quite extensive and included some construction loans in Toronto. The corporation was apparently at one time in control of an extensive property on University Avenue, Toronto, although it did not take title to the property and only acted in the rôle of banker.

The property was acquired by the Stimson firm, it is understood, for the promotion of an apartment hotel to be named after Mary Pickford, who was born in a house on the site. Later, when affairs of the Stimson enterprises got in very bad shape, a desperate effort was made to sell the property to the City of Toronto for a police headquarters building, but the price was considered too high and the land was not bought. It is not clear just who controls the property now, but it is likely that if it is held by any of the Stimson enterprises, that liens on it represent its full present market value.

The enterprise that was apparently responsible for tying up the last of the liquid assets of National Debenture Corporation was the Grand Central Market in Toronto. This project, to build a large centrally located pure food market, was started by a group who called themselves Joint Investments, Limited. A company called Associated Development Corporation was formed to build the market. This was in 1929 and the stock market crash came along just in time to prevent the stock selling campaign from being successful. In any event not enough money was raised to complete the structure and work was halted. Then this "British type investment trust" came into the picture and advanced various sums of money. Unfortunately, National Debenture Corporation's funds ran out before the market was completed and as contractors and suppliers soon registered liens against the property, the whole investment of National Debenture Corporation in it was jeopardized and may be regarded now as an asset that will be difficult of realization.

Commerce and Transportation Bldg.

This brings the story of National Debenture Corporation up to date, but it is not to be presumed that during the period between 1926 when its bonds were sold and 1930 when the last of the advances were made to Grand Central Market that the Stimson firm was idle. Rather they began to branch out into much larger and more pretentious enterprises.

In 1927, they promoted the Commerce and Transportation Building in Toronto, an office building on a site at the corner of Front and Bay Streets, well located for many purposes. An Ontario company was incorporated with a capital of $1,350,000 of 7 per cent preferred stock and 50,000 shares of common stock. Criticism was immediately levelled against the project by The Financial Post on several grounds. In the first place, the advertising of the preferred stock was phrased in language The Post could not approve. For instance, reference was made to "in-

(Continued on page 17)

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO., LTD,
366 ADELAIDE ST., WEST
TORONTO 2

Heads Biscuit Firm

THEOPHILE VIAU, formerly vice-president, who has been elected to succeed Hon. J. L. Perron as president of Viau Biscuit Corp.

CHARLES GURD HOLD EARNINGS AT HIGH LEVEL

Higher Distributing Costs Hold Down Profits Last Year

From Our Own Correspondent

MONTREAL—Sales and earnings of Charles Gurd Co., beverage manufacturers, were well maintained in 1930, the annual financial statement showing net profits for the year of $196,837, as against $207,645 in the preceding year. According to the president, there was an increased sales volume, but the reduction in profits was due to an increase in the cost of distribution. Share earnings totalled $2.95 each, as against $3.11 in 1929.

Examination of the profit and loss account shows that there has been a steady decline in the amount of preferred dividends paid, due to redemptions, which has had a favorable effect upon the balance available for distribution on the common stock. After taking care of the preferred dividend charges in 1930, there remained a balance of $176,887 or about $10,000 less than in 1929. Full particulars of the income accounts follow:

	1930 $	1929 $	1928 $
*Net profits	196,837	207,645	207,017
Pfd. divs.	19,950	21,000	27,959
Balance	176,887	186,645	179,058
Com. divs.	120,250	120,000	72,375
Surplus	56,637	66,645	106,683
Prev. surp.	224,086	157,441	50,759
P. & L. bal.	280,723	224,086	157,442

*After provision for depreciation, obsolescence and income tax.

Improve Balance Sheet

Examination of the balance sheet shows that the company has improved its working capital position, this figure standing at $311,351 at the end of 1930, as compared with $293,954 at the end of the previous year.

Assets as at December 31, 1930, totalled $1,601,989 up from $1,547,929 at the end of 1929. It is noted that call loans have been reduced from $100,000 to $50,000. Accounts receivable have increased from $112,003, to $145,411, while inventories have appreciated from $108,977 to $136,551.

There has been a further outlay on fixed assets, the property account now standing at $862,608, compared with $831,107 at the end of 1929. The value placed on equipment has increased from $88,764 to $101,800. There has been little change in investments, while goodwill still stands in the books of $250,000.

Retire More Preferred

The principal change of note among liabilities is the increase in the depreciation reserve from $108,115 to $145,026. Provision for this item was not shown in the income statement, net profits shown being the amount available for distribution in the form of dividends. There was a further reduction in the amount of preferred stock outstanding during the year, this item now stands at $270,000 a reduction of $30,000 during the year. The amount set against common stock has declined from $878,300 to $875,300. Surplus now stands at $280,723 up from $224,086.

The remarks of the president, Alexander Murphy, were confined to the improvements effected in the balance sheet position of the company.

VICTORIA TRUST EARNS 16 PER CENT

Lindsay Company Reports Growth in All Departments

Victoria Trust & Savings Co., Lindsay, Ont., in the year ended December 31, 1930, earned $127,801, or 15.9 per cent, on the capital of $800,000, compared with $136,645, or 17 per cent in the previous year. The dividend of 10 per cent was continued and $50,000 was transferred to reserve, bringing that fund to $800,000, the same as the capital.

Gross assets are increased from $7,893,868 to $8,354,967.

The estates, trust and agency department now has $481,280, compared with $245,978 a year ago.

Guaranteed trust account is up from $6,033,617 to $6,217,330. Investment receipts total $4,510,151, compared with $4,343,531. Savings deposits have grown from $1,690,087 to $1,707,179.

Company assets are up from $1,614,273 to $1,656,356. Lindsay premises now are carried at $24,000, a reduction of $2,000. Cannington premises are carried at $5,700, as formerly. Other real estate is carried at $44,688, compared with $44,083. Principal and interest of mortgage is $1,137,475, compared with $1,116,494.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earned %	Div.
1922	$742,085	$101,810	13.7	9
1923	800,000	82,683	13.7	9
1924	800,000	97,308	12.1	9
1925	800,000	105,015	13.1	9
1926	800,000	110,481	13.8	9
1927	800,000	124,921	15.6	9
1928	800,000	130,347	16.1	9+1
1929	800,000	136,645	17.0	10
1930	800,000	127,801	15.9	10

*Reserve for Federal taxes, and amount written off premises deducted.

Report Thayers Dividend Earned By Wide Margin

Earnings of Thayers, Ltd., during 1930, are reported as having been sufficient to meet preferred dividends by almost four times. Since preferred dividends amount to some $35,000, it would appear that the company had net earnings of around $140,000. No earnings statement has been issued since the company was formed in 1928.

During 1930 the company extended its chain of service stations and earnings during the first half of 1930 were reported as being substantially in advance of 1929 figures. The company has 10,000 shares of no par value $3.50 cumulative first preferred outstanding and 50 shares of second preference stock.

Extend Date of Offer

Brewing Corp. of Canada has extended the date before which remaining shareholders of Carlings Breweries Ltd. can exchange their shares for those of Brewing Corp. The original date set was November 30, 1930, the present extension will allow exchange up to January 31, 1931. According to officials, over 90 per cent of the Carling stock has been exchanged.

Lower Prices Will Speed Early Business Recovery

Uneconomic Schemes by Governments Cannot Effectively Meet Present Situation

By C. L. BURTON, President, Robert Simpson Co., in address to Canadian Furniture Manufacturers

The New York Times last week quoted an English economist, Henry Clay, as stating the following: "In England we are trying at one and the same time to induce the world to buy more from us, and charge them more than the world thinks our product is worth."

In a recent advertisement of the company with whom my business interests chiefly lie, the statement was made that the Canadian Furniture Manufacturers were among the first producers in Canada to bring down their prices to the new spending level of the people, and the statement was well justified, because during the past five days business we have sold in dollars 20 per cent more furniture than in the same period of last year, or for any similar spring sale effort—and it was all Canadian made.

It is a very noticeable fact that the manufacturers in all lines who have faced the issue and determined to market their goods at prices which the public can pay, have been able to turn out almost unlimited quantities, whereas the manufacturer who is holding to his price, hoping that things will break better for him by such holding off, is finding his volume slipping and his proportion of expense to sales volume a fearsome total.

The dealer who markets his merchandise for what the public can afford to pay, is for the moment, in some producing quarters, ill thought of, because of his supposed interruption to the comfortable conventional business programme, but the fact remains that the only people who are getting the business are those who go out after it. Price, is a potent factor in getting business in times like the present.

Attraction of Low Cost

In days of better spending power it is the manufacturer who shows enterprise in design and finish who gets the business, without regard first for the value of the article produced. In these times it is the manufacturer who not only produces the design, but who adds to his creative enterprise the attraction of low cost, who wins the day.

Our great Canadian West is a very serious factor and probably a determining factor in the amount of business which will pass through the Canadian factories this spring, and possibly during the whole year.

The condition in the West affects almost every single business movement in the East. I think I can say without fear of contradiction that a good year in the West is followed by a good year in the East, and a poor year in the West is followed by a poor year in the East. If we in this part of Canada possessed smaller resources and less ability to cope with troublous elements, I would consider our business position for 1931 very serious indeed, but as the fact is that we have resources and ability beyond anything which has ever been computed or set forth on paper, and as in days like the present those abilities and resources are being automatically brought into play, I have no doubt that while the spring of 1931 will be a difficult period, we shall on the whole make a very fair showing for the year 1931, although we can scarcely expect to break records and will do well even to maintain our position.

Decries Optimist, Pessimist

One of the most unfortunate tendencies of these days is to brand this one as an optimist and that one a pessimist. The optimist who skims over the manifest difficulties of these days is no friend of prosperity, whereas the pessimist who I judge is one who loses his perspective and incentive to effort, is practically in the same position. Thus we have to eliminate the optimist and the pessimist and treat the present situttion as if it were the "to-be-expected" and govern ourselves accordingly.

Cycles of prosperity are said to last approximately six years, and periods of depression approximately the same length of time. In the last twelve years there have been two principal factors which have accentuated both undue inflation and undue depression. One factor is the disappearance out of all the warring nations of the young men whose lost lives are already a too rapidly fading memory. These multitudes of lost young people who would have now been in their producing prime, have been deprived of making their contribution to their country's progress. From this standpoint enemies and friends suffered alike in the wiping out of young life. The sacrifice which the world made in the wiping out of young British life, young German, American, Canadian and French life, cannot be appraised. The world has been deprived of the power and of the genius of this great multitude which should have been directed, socially and economically, to the advancement of their various nations and to the world as a whole.

Burden of War Debts

The second factor, which is new as compared with previous few economic cycles is the payment by Germany of reparations and the payment by other nations, especially Great Britain, of war debts. The United States has been the principal agent in this latter situation, because of the fact that it has been receiving from Great Britain during the last several years $500,000 a day in gold. This has had the effect of virtually locking up nearly two billions of dollars in gold in the vaults of Washington thus shortening the necessary supply of gold for the business which the world requires to do.

The German payments have been a lesser factor in that they have not been in gold but in kind.

In times of prosperity and inflated business condition the forces of disintegration are already in process. In times like the present it is impossible to prophesy how much worse business will be or how soon a turn for the better will set in, but the invisible forces working for correction and improvement have been in operation ever since the unfavorable factors made themselves apparent.

I have quoted the banker who has placed Canada among the few coun-

(Continued on page 13)

NATIONAL TRUST EARNINGS NEAR RECORD LEVELS

Profit, After All Deductions, is 17.7 Per Cent on Capital

ASSETS ARE GROWING

Investment Receipts, Deposits, Increase; Company in Strong Liquid Position

Despite generally unfavorable conditions in business, National Trust Co. in the year ended December 31 earned within a few thousand dollars of its peak record, 1929. Profits of $533,549 in 1930 were 17.7 per cent on the capital of $3.000,000, after allowing $80,914 for taxes. This compared with $542,481, or 18 per cent, after taxes but before $100,000 writeoff on premises in the previous year.

Total assets are increased in the last year from $243,887,745 to $262,322,466. The estates, trusts and agencies fund has grown from $219,835,365 to $235,382,200.

Savings are Higher

Guaranteed trust account has grown. Investment receipts outstanding now total $6,856,533, compared with $5,591,563 a year ago. Savings on deposit have grown from $12,110,714 to $13,678,145. In this account, the company holds mortgages of $12,931,389, compared with $12,401,440 a year ago. Loans on stocks and bonds amount to $2,465,400, compared with $1,622,107 a year ago. Holdings of government and other bonds and debentures now total $3,380,608, compared with $2,804,686 at the end of 1929. Stocks worth $31,855 and cash bring the total for the department to $20,534,678, compared with $17,702,278 previously.

Liquid position thus is strong. Cash and easily marketed securities amount to 70.5 per cent of the deposits.

Company funds now total $6,405,587, compared with $6,350,103 a year ago. Office premises, etc., at Toronto, Montreal, Hamilton, Winnipeg, Saskatoon and Edmonton are carried at $1,111,402 compared with $1,082,922. Real estate held for sale amounts to $212,180, compared with $188,436. Mortgages and accrued interest are $3,206,454, compared with $3,198,212. Bonds and accrued interest total $172,718, compared with $153,427. Stocks total $897,894, compared with $806,975.

Profit and loss surplus stands at $249,965, compared with $136,416 at the end of 1929. The reserve fund remains the same at $3,000,000, or 100 per cent of capital.

The dividend rate now is 14 per cent annually. The amount paid in 1930 was the same as for 1929, except that in 1929 the rate was 12 per cent and a 2 per cent bonus was paid at the end of the year.

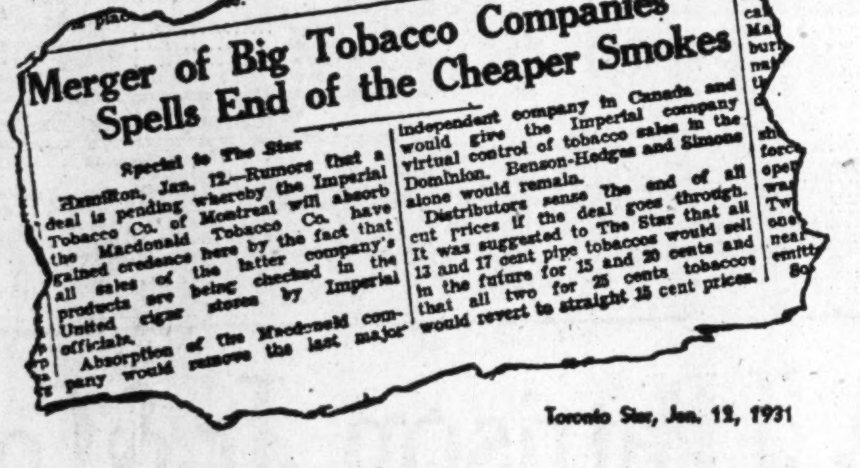
Earnings Record

Year	Paid-up Capital	†Profits	Earned %	Div.
1920	2,000,000	234,025	11.7	11
1921	2,000,000	276,865	13.8	12
1922	2,000,000	276,598	13.8	12
1923	2,000,000	286,660	14.3	12
1924	2,250,000	*296,493	13.1	12
1925	2,250,000	315,620	14.0	12
1926	2,250,000	339,625	15.0	12
1927	3,000,000	434,445	14.4	12+1
1928	3,000,000	451,439	15.0	12+1
1929	3,000,000	‡542,481	18.0	12+2
1930	3,000,000	533,549	17.7	14

*Includes $109,386 paid for remodeling head office premises. †Less taxes, etc. ‡Includes $100,000 written off premises.

"CHEAPER SMOKES"
—and MACDONALD'S
Are Still Here!

Why should we, W. C. MACDONALD, Inc., pay for writing advertisements when the following appears on the front pages of Canada's leading newspapers gratis?

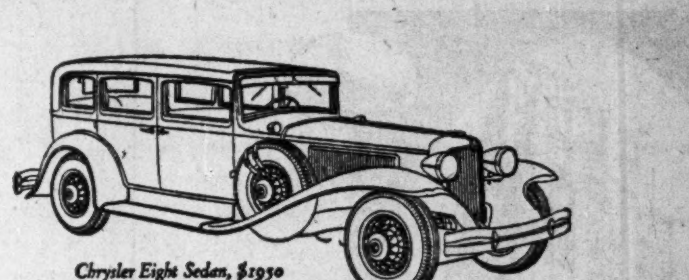


Toronto Star, Jan. 12, 1931

Buy Macdonald's for your own protection!

CANADA'S LARGEST INDEPENDENT
TOBACCO AND CIGARETTE MANUFACTURERS

CHRYSLER STRAIGHT EIGHTS



Chrysler Eight Sedan, $1930
F. O. B. Windsor, Ontario (wire wheels extra)

DUAL HIGH PERFORMANCE

The smart Chrysler Straight Eights have an exclusive Multi-Range 4-speed transmission providing *Dual High* gears and a quiet, quick gear shift. One "high" is for sprinting in traffic and for fast, easy hill-climbing—the other for the open road.

LOW CENTER OF GRAVITY

An extremely low center of gravity, besides being an attribute of unusual smartness, is a great factor of safety because of better balance—resulting in outstanding performance, road-clinging steadiness, greater riding comfort and security at all speeds.

SAFETY BODIES OF STEEL

The Chrysler Eight bodies are noted for their strong steel body construction—welded into solid walls of one-piece strength; completely insulated for silence; no joints to cause squeaks.

Seven models from $1915 to $2130. Prices f. o. b. Windsor, Ontario, including standard factory equipment (freight and taxes extra)

CHRYSLER CORPORATION OF CANADA, LIMITED
WINDSOR, ONTARIO

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Bongard & Company

Members:
Toronto Stock Exchange
Montreal Stock Exchange
Winnipeg Grain Exchange
Montreal Curb Market
New York Curb (Assoc.)
Chicago Board of Trade

80 King St. W., Toronto
Elgin 5381

LONDON, ENG. / NEW YORK / MONTREAL / GUELPH / WINDSOR / KITCHENER

GENERAL TRUST OF CANADA

Complete Trust Service

112 ST. JAMES ST., WEST -- MONTREAL

Sound Investment Information

OUR Monthly Investment Letter, containing many specific details regarding desirable securities, list of bonds called for redemption, recommendations of securities and other financial information, is found valuable by many investors.

We shall be pleased to send it to you regularly on request.

HANSON BROS.
INCORPORATED
255 St. James Street, MONTREAL

330 Bay Street TORONTO — 46 St. Stanislas Street QUEBEC — 56 Sparks Street OTTAWA

We take pleasure in

Announcing

The appointment as a member of our organization of

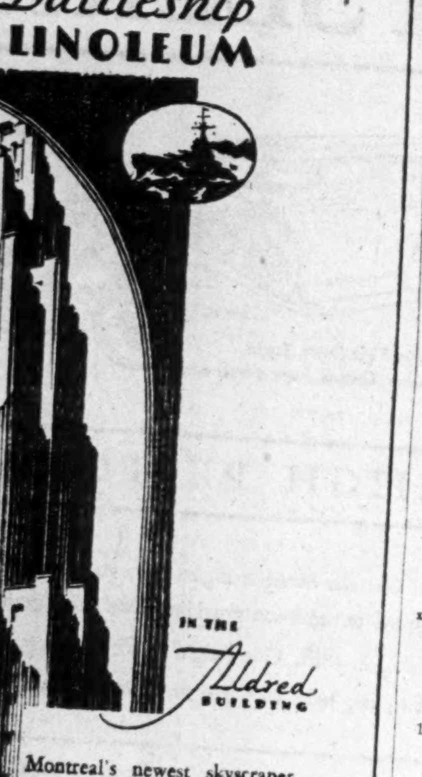
MR. J. P. CRYSDALE

Formerly associated with
Messrs. Cochran Hay & Company, Limited

GAIRDNER & COMPANY
LIMITED
Investment Bankers

320 Bay Street, Toronto — Canada Permanent Bldg.

DOMINION Battleship LINOLEUM



Montreal's newest skyscraper on historic Place d'Armes maintains throughout an excellence of appointments found only in the finest buildings. As might be expected, Dominion Battleship Linoleum was chosen for many of its floors.

Dominion Battleship Linoleum is permanent, odourless, quiet and comfortable under foot . . . a sanitary, easily cleaned floor that seldom needs replacement or refinishing.

Made in three qualities, AAA in eight colours; AA and A, in five. Special shades obtainable for large contracts.

Installed by large house furnishing and department stores. Write us for samples and literature.

Barott & Blackader, Montreal, Architects. Foundation Co. of Canada, Ltd., Montreal, Contractors.

Dominion Oilcloth & Linoleum Company Limited — Montreal

HOW MUCH OF YOUR OVERHEAD IS *UNDERFOOT*?

Montreal, Toronto & Curb Stocks

WEEK ENDING JANUARY 19

Range 1930-31 High	Low	Divd. Rate	Yield %	Jan. 17	Close Jan. 12 (or last)	Week Ending Jan. 19 High	Low	Close
[illegible]								

x Quotations for 1929. No sales recorded in 1930-31 to date.
a Stock dividend.
b New York quotations.
‡Quarterly div. payable Mar. 2 in stock in lieu of cash.

Dividends Declared

	Annual Rate	Div. Declared	Date Payable	Record
Amer. Commonwealths Pr. "A" pf.	$7	$1.75	Feb. 2	Jan. 15
[illegible]				

*Bonus.
†At rate of 1/40th of one share Class "A" stock.
‡Stock dividend.

Active Current Bond Prices

	Bid	Asked	Yield
Dominion of Canada 5½/33	103.25	103.75	[illegible]
C. N. R. 4½/54	[illegible]	[illegible]	[illegible]
Province of Ontario 4½/44	[illegible]	[illegible]	[illegible]
Province of Quebec (Hydro) 4½/60	[illegible]	[illegible]	[illegible]
Province of Quebec 4½/50	[illegible]	[illegible]	[illegible]
Abitibi Power & Paper 5/53	[illegible]	[illegible]	[illegible]
Algoma Steel Corp. 5/62	[illegible]	[illegible]	[illegible]
Argentine Govt. 6/58 Series "B"	[illegible]	[illegible]	[illegible]
Brazil U. S. Ext. S. F. 6½/57	[illegible]	[illegible]	[illegible]
Brit. Col. Power 5½/60	[illegible]	[illegible]	[illegible]
Brit. Col. Telephone 5/60	[illegible]	[illegible]	[illegible]
British American Oil 5/45	[illegible]	[illegible]	[illegible]
Calgary Power 5/60	[illegible]	[illegible]	[illegible]
Canada Cement Co. 1st Mtge. S.F. 5½/47	[illegible]	[illegible]	[illegible]
Canada Northern Power 5/53	[illegible]	[illegible]	[illegible]
Can. Light & Power 1st L. & R. 5/49	[illegible]	[illegible]	[illegible]
Canada S. S. Lines 1st and Gen 6/41	[illegible]	[illegible]	[illegible]
C. N. R. Dom. Can. 4½/51	[illegible]	[illegible]	[illegible]
C. P. R. Coll. Trust 5/54	[illegible]	[illegible]	[illegible]
C. P. R. Secured 4½/44 Notes	[illegible]	[illegible]	[illegible]
Chile Republic Ext. S.F. 6/60	[illegible]	[illegible]	[illegible]
Colombia Repub. Ext. S.F. 6/61	[illegible]	[illegible]	[illegible]
Davies, Wm. 6/42	[illegible]	[illegible]	[illegible]
Dominion Square Corp. 6/39	[illegible]	[illegible]	[illegible]
Dominion Tar & Chemical Debs. 6/49	[illegible]	[illegible]	[illegible]
Dominion Textile 6/49	[illegible]	[illegible]	[illegible]
Duke Price Power 1st 6/66	[illegible]	[illegible]	[illegible]
Eastern Dairies Conv. 6/49	[illegible]	[illegible]	[illegible]
Eaton, T. Realty 5/49	[illegible]	[illegible]	[illegible]
Famous Players Can. 6/48	[illegible]	[illegible]	[illegible]
Foreign Power Secs. 6/49	[illegible]	[illegible]	[illegible]
French Nat. Mail Ext. S.F. 6/52	[illegible]	[illegible]	[illegible]
Gatineau Power 1st Mtge. 5/56	[illegible]	[illegible]	[illegible]
Gatineau Power S.F. Debs. 6/41	[illegible]	[illegible]	[illegible]
Howard Smith Paper Mills 5½/53	[illegible]	[illegible]	[illegible]
Manitoba Power 1st S.F. 5½/51	[illegible]	[illegible]	[illegible]
Massey-Harris Co. 1st S.F. 5/47	[illegible]	[illegible]	[illegible]
Montreal Coke 1st D.F. 5½/47	[illegible]	[illegible]	[illegible]
Montreal Island Power 5½/57	[illegible]	[illegible]	[illegible]
Montreal Power 5/51	[illegible]	[illegible]	[illegible]
Montreal Tram. 1st Coll. Trust 5/41	[illegible]	[illegible]	[illegible]
Montreal Tram. Gen. Ref. 4½/55	[illegible]	[illegible]	[illegible]
Montreal Tram. Gen. 5/55	[illegible]	[illegible]	[illegible]
Moodie, J. R. 6/48	[illegible]	[illegible]	[illegible]
Nova Scotia Steel & Coal 1st 5/59	[illegible]	[illegible]	[illegible]
N. S. Steel & Coal 1st 6 Deb.	[illegible]	[illegible]	[illegible]
Ogilvie Flour Mills 6/32	[illegible]	[illegible]	[illegible]
Ogilvy Flour Mills 1st S.F. 5½/51	[illegible]	[illegible]	[illegible]
Ontario Power Service 5½/50	[illegible]	[illegible]	[illegible]
Ottawa Valley Power 5½/70	[illegible]	[illegible]	[illegible]
Price Bros. 1st S.F. Series 6/43	[illegible]	[illegible]	[illegible]
Quebec Power 1st Mtge. 5/68	[illegible]	[illegible]	[illegible]
Rio de Janeiro Trams 5/35	[illegible]	[illegible]	[illegible]
Shawinigan Water & Power 4½/70	[illegible]	[illegible]	[illegible]
Simpsons 6/49	[illegible]	[illegible]	[illegible]
Southern Canada Power 1st 5/55	[illegible]	[illegible]	[illegible]
United Securities Coll. Trust 5½/52	[illegible]	[illegible]	[illegible]
Windsor Hotel 6½/48	[illegible]	[illegible]	[illegible]
Winnipeg Elec. 5½/35	[illegible]	[illegible]	[illegible]

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co. Ltd., 350 Bay Street, Toronto, Ont.)

Provinces	Rate	Actual Mat.	Next Int. Date	Ask	Yield
Alberta	[illegible]	1 Oct. 1958	[illegible]	[illegible]	[illegible]
Alberta	[illegible]	1 Jan. 1943	[illegible]	[illegible]	[illegible]
British Columbia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
British Columbia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
British Columbia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Manitoba	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Manitoba	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Manitoba	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New Brunswick	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New Brunswick	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New Brunswick	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ontario	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ontario	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ontario	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
P.E.I.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Quebec	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Quebec	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Saskatchewan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Saskatchewan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Saskatchewan	[illegible]	1 Feb. 1936	1 Feb.	[illegible]	[illegible]
Cities					
Montreal	[illegible]	1 Sep. 1963	1 March	105.88	4.65
Toronto	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Vancouver	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Winnipeg	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Windsor	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Edmonton	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Calgary	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Halifax	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Saint John	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Regina	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Victoria	[illegible]	21 Jul. 1945	21 Jan.	102.66	4.75

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited) January 20, 1931

Industrial Stocks	Bid	Asked
[illegible]		

Listed Bond Quotations

Week Ending January 19

	Int. Rate	Due	Yield	Last Ask	High	Low	Range, 1930-31 High	Low
[illegible]								

x Quotations for 1929. None recorded in 1930-31 to date.

Foreign Exchange

New York Funds

	High	Low	Last Year High	Low
January 14	[illegible]	[illegible]	[illegible]	[illegible]
January 15	[illegible]	[illegible]	[illegible]	[illegible]
January 16	[illegible]	[illegible]	[illegible]	[illegible]
January 17	[illegible]	[illegible]	[illegible]	[illegible]
January 19	[illegible]	[illegible]	[illegible]	[illegible]
January 20	[illegible]	[illegible]	[illegible]	[illegible]

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
January 14	[illegible]	[illegible]	[illegible]
January 15	[illegible]	[illegible]	[illegible]
January 16	[illegible]	[illegible]	[illegible]
January 17	[illegible]	[illegible]	[illegible]
January 19	[illegible]	[illegible]	[illegible]
January 20	[illegible]	[illegible]	[illegible]

NEW YORK FUNDS

Par		Jan. 13	Jan. 20
5.26	Italian	[illegible]	[illegible]
23.80	German	[illegible]	[illegible]
13.90	Belgian	[illegible]	[illegible]
49.80	Japanese	[illegible]	[illegible]

Winnipeg Stock Exchange

January 13

	Bid	Ask
Beaver Fire	[illegible]	[illegible]
Beaver Lumber c.	[illegible]	[illegible]
Can. Amer. Trust sh.	[illegible]	[illegible]
Can. Fire Ins.	[illegible]	[illegible]
Can. Indemnity	[illegible]	[illegible]
Crescent Creamery	[illegible]	[illegible]
Gt. West Life	[illegible]	[illegible]
Home Investment	[illegible]	[illegible]
North. Can. Mtg.	[illegible]	[illegible]
Northern Trust	[illegible]	[illegible]
Traders Bldg.	[illegible]	[illegible]
Un. Gr. Growers	[illegible]	[illegible]
West. Breweries	[illegible]	[illegible]

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BOLIVIAN POWER EARNINGS IN 1929 ON SOUND LEVEL

Report Indicates Profits of $4.11 a Share on Common

From Our Own Correspondent

MONTREAL.—Bolivian Power Co. has issued a statement covering operations in 1929; the 1930 report has yet to be published. The financial statement shows an increase in earnings but a greater lack of working capital as compared with 1928.

Net earnings were $367,537, as compared with $302,539 in 1928. After all deductions there remained a sum equal to $4.11 a share on the common stock, which earned $3.82 a share in the preceding year.

Loans Payable Increase

The balance sheet shows a substantial increase in loans payable which amount to $1,681,923, an increase of nearly $1,000,000. Current liabilities total $1,793,690 and current assets amount to $890,405, leaving an excess of current liabilities over current assets of $903,285. This excess totalled $125,557 at the end of 1928.

Assets include accounts receivable of $545,268 as compared with $424,632. Organization expense stands at $62,872,000 the same as in the preceding year, while property account has been increased to $5,919,585 from $5,066,523.

Redeem Some Bonds

In liabilities first mortgage bonds have been reduced by $17,000, and are outstanding to the extent of $1,567,000. Depreciation reserve has been increased by about $26,000 to $252,679 and general reserve now stands at $94,085 as opposed to $39,188.

Bolivian Power Co. operates the light, power, tramway and telephone undertakings in La Paz, the principal city in Bolivia. About 77 per cent of the common stock, of which there is $3,000,000 issued, is held by International Power Co. An initial dividend was paid in December, 1926, of 2 per cent. This was raised to 3 per cent in 1927 and reduced to the current rate of 2 per cent in 1928.

New Partners in Stock Brokerage Firm

RICHARD F. ANGUS, SYDNEY C. SCOBELL, who have been made partners of Jones, Heward & Co., members of the Montreal Stock Exchange.

Heavy-Rail Contract Placed by Canadian National Rly.

From Our Own Correspondent

MONTREAL.—Further details of the rail contract with the Dominion Steel and Coal Corp. have been announced by the Canadian National Railway. The order covers 34,000 tons of 130-lb. rails for use on the main C. N. R. line between Montreal and Chicago. This rail, the heaviest ever to be used on Canadian railways, is now being rolled and steps have been taken to standardize both the rail and the rail fastenings which will be used with it. The order now placed will provide for the laying of approximately 170 miles of train line rail in Canada, between Fredericksburg and Crafton and between Toronto and Hamilton, while 76 miles of the new 130-lb. rail will be laid between Port Huron and Chicago, the entire route of the International Limited between Montreal and Chicago eventually being laid with this new weight of rail, the heaviest in use on Canadian lines.

JAMAICA SERVICE ACQUIRES UTILITY AT PORT ANTONIO

Present Facilities Will be Expanded During Year

From Our Own Correspondent

MONTREAL. — Jamaica Public Service Co., operating subsidiary of Jamaica Public Service Ltd., has obtained official confirmation for its purchase of the electric light and ice business in Port Antonio and operations of the company in that area began on January 1.

Outlook for this property is considered promising by those in touch with the situation. It is likely that a new plant will be installed at a later date, while the ice manufacturing business will also be rehabilitated. The United Fruit Co. is active in this area and uses the port extensively for banana shipping purposes. While the utility business at Port Antonio is comparatively small, its acquisition gives Jamaica Public Service a strategic position in respect to utility operations on the island as a whole.

Expansion Last Year

Further expansion was carried out last year. The company acquired the St. James Utilities in May, 1930, which added another light and ice business to its activities. This unit operates in Montego Bay, the second largest town in Jamaica, and is said to offer considerable potentialities for further development.

Net earnings of Jamaica Public Service in 1930 are expected to exceed those of the previous year. For the 12 months ended November 30, gross earnings amounted to $827,263 an increase of 8.85 per cent and net earnings were $333,804 as compared with $318,745 in the same period in the preceding year. Surplus after charges, however, showed but a marginal gain at $241,267.

Carried Out Financing

This fact can be attributed to financing carried out earlier in the year incurring higher interest charges. An issue of $2,000,000, 5 per cent bonds was made replacing a former issue of $937,500, 6½ per cent bonds. The new money enabled the company to carry out expansion of property, the full effects of which will not be reflected in the forthcoming report for 1930.

Additions to generating capacity in Kingston, Jamaica, were made through installation of a new 2,000 kw. unit which was brought into operation in the early fall. The company is steadily extending its activities in irrigation and it is expected that the annual report will reveal further progress in this division.

Joins René-T. Leclerc

AIME ROLLAND

Aimé Rolland, who has been associated with the firm of Nesbitt, Thomson & Co., since 1926, will henceforth act as head of the sales service of the firm of René-T. Leclerc, Inc., with which firm he started as bond salesman in 1915.

Can. Industrial Alcohol Shares Actively Traded

From Our Own Correspondent

MONTREAL.—Shares of Canadian Industrial Alcohol have been active in recent trading and have shown appreciation marketwise at current levels of about 5. Interest in the stock reflects anticipation of an agreement between distillers whereby some stabilization may be effected in the export market.

Distillers, however, have nothing to announce as yet. They have been working for the past few months in an effort to reach an arrangement on the export situation and it is expected that some definite decision will be arrived at shortly.

Price-cutting in exports has been a major factor in that field and profits have been adversely affected.

Carling Off Montreal Curb

From Our Own Correspondent

MONTREAL. — Montreal Curb Market announces that the stock of Carling Breweries has been withdrawn from trading privileges. More than 90 per cent of this stock has now been deposited under the terms of the merger plans with Brewing Corporation of Canada.

ENGLISH GROUP SEEKS SPRUCOLITE RIGHTS

Offer May Mean Reorganization of Canadian Company

Possibility of a re-organization of Sprucolite Corp. is reported with the offer of English interests to acquire world rights for the company's products, excepting only United States rights. Under the proposed plan the present tcompanies would be financed by English capital in return for the rights. It is reported that stock of the Canadian company will probably be exchanged for that of the parent company in the United States and that the United States company would have a substantial interest in the English company which would be formed.

In 1928 an English syndicate formed International Sprucolite Ltd. and secured world rights, excepting United States rights in return for $200,000 and a one third stock interest. The United States company was given an option to purchase control of International Sprucolite Ltd. which was taken up.

The Canadian subsidiary started operations at Guelph, Ont. in May, 1929, but recent reports would indicate that the plant is now closed although orders are being filled from inventories on hand.

Building Products Earned Dividends By Good Margin

Building Products Ltd. earnings during 1930 were more than sufficient to cover dividends on class A and class B shares according to unofficial report.

It is also stated that the treasury position has been well maintained. This substantiates a report last November in which it was officially stated that additional lines of products manufactured and marketed by the company were responsible for maintaining 1930 sales almost at the 1929 level.

In 1929, the company showed $418,482 available for preferred and common dividends. The preferred shares were redeemed during the year leaving 120,846 class A and class B shares of no par value which earned $3.41 per share.

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BRITISH AMERICAN BANK NOTE
COMPANY - LIMITED
Montreal Ottawa Toronto

Canadian Quotations--Cont'd

Winnipeg Grain Prices

Week to January 20

High Crop Year	Low		Open Jan. 14	High for week	Low for week	Close Jan. 20
		Wheat				
1.13⅞	.52½	May	5.7⅜	.57⅞	.55⅝	.56½
.77¾	.54	July	.58¼	.58¾	.56¾	.57⅜
.61	.57⅞	October	.59¼	.59⅞	.57⅞	.58⅝
		Oats				
.53	.26¾	May	.28⅝	.29	.27½	.27⅞
.33½	.26⅞	July	.28⅜	.28⅜	.26⅞	.27¼
		Barley				
.49	.24½	May	.27	.27⅜	.24½	.25
.32½	.25⅝	July	.28⅜	.28½	.25⅝	.26⅛
.31	.28⅛	October	.30½	.30½	.28⅛	.28¼
		Flax				
1.32½	.94¼	May	1.04¾	1.04¾	.99	.99¼
1.11	.95½	July	1.05½	105⅞	1.00	1.00⅛
		Rye				
.71	.25½	May	.31⅝	.32¾	.29⅞	.30
.75	.30½	July	.33	.33⅜	.31⅛	.31¼
.34¾	.33⅝	October	..	.34¾	.33⅝	.33⅝

Mining Stock Quotations

Week Ending January 19.

Par Val.	Range 1930-31 High	Low	Company	Close Jan. 12 (or last)	High for week	Low for week	Close Jan. 19
1	1.42	.16	Abana	.20	.20	.16	.16½
1	.09	.01	Aconda	.01¼	.02	.01¼	.01¼
None	.50	.32	Aladdin	.33	....	....	....
None	.50	.30	Aldermac	.40	....	....	....
1	.03	.00¼	Algonquin	.01¼	.03	.01¼	.03
1	.19	.00½	Amity C.	.02	....	....	....
None	1.95	.24	Amulet	.33	.35	.30	.33
1	.04	.00¼	Apex	.01¼	.01¼	.01¼	.01¼
1	.10	.01¼	Area	.01¼	.01½	.01½	.01½
1	.02	.00¼	Argo. Con.	.00½	....	....	....
1	.30	.00½	Arno	.02	.02	.01⅛	.02
1	.03	.00½	Astoria	.00¼	....	....	....
1	.01	.00½	Atlas	.00½	.00½	.00½	.00½
1	.03¼	.01	Baldwin	.01½	.01½	.01½	.01½
1	.25	.05½	Barry Holl.	.10½	.11½	.10½	.11
None	4.45	.80	Base Metals	1.20	1.19	1.10	1.15
None	.05	.00½	Bathurst	.01	.01	.01	.01
5	6.10	1.75	B'Wana	1.75	....	....	....
1	.32	.12	Bedford	.15	....	....	....
None	.11	.02	Bidgood	.04½	.04½	.04	.04
1	1.04	.35	Big Missouri	.46	.46	.39	.40
1	.11	.02	Bobjo	.02	....	....	....
None	.01½	.00½	Boischatel	.00½	....	....	....
1	.08	.02½	Brett Trethewey	.02¾	.03	.02¾	.03
1	.06	.03	Brit. Canadian	.06	....	....	....
None	.14	.01½	Brownlee	.05	....	....	....
1	.02½	.00½	Buckingham	.01	.01	.01	.01
1	.10½	.01⅛	Bunker Hill	.05	.06½	.04⅞	.06
None	.08	.05	Cal. Flin Flon	.05½	....	....	....
None	.65	.12	Canam Metals	.12	....	....	....
1	.08	.00½	Can. Kirk	.02¼	....	....	....
1	.06	.02	Can. Lorraine	.02	....	....	....
1	.15	.15	Canusa	.15	.15	.15	.15
1	.03	.00¼	Capital R.	.00½	....	....	....
1	.28	.15	Castle Tre.	.22	.20	.18½	.18½
1	.29	.03	Cen. Manitoba	.08½	.09	.08	.09
1	.30	.02	Cen. Patricia	.03	.03	.02¾	.02¾
1	.07	.04½	Chaput H.	.04½	....	....	....
None	1.05	.02	Chib. Pros.	.02	....	....	....
None	.12	.00¾	Clericy	.07	.06¼	.04½	.05¼
5	24.00	4.00	Coast Copper	4.25	4.50	4.15	4.25
1	.42	.02	Cobalt Con.	.03	.02½	.02	.02
1	.01	.00¾	Col. Kirk	.00¾	....	....	....
1	1.17	.05	Columario	.09	.12	.08½	.12
5	1.40	.50	Coniagas	.55	.50	.50	.50
5	.60	.15	Coniaurum	.35	....	....	....
25	280.00	120.00	Cons. Smelter	145.50	146.00	140.00	140.00
1	.02	.00½	Corona	.00½	.01	.00½	.00½
1	.02	.00¼	Crown Res.	.01	.02	.01¼	.02
None	.39½	.02⅜	Dom. Explor.	.03	....	....	....
1	.01¼	.00¼	Dom. Kirk	.00½	....	....	....
None	10.25	7.00	Dome Mines	9.55	10.25	9.00	10.45
1	.05	.00½	Dunkin	.00⅛	....	....	....
1	.04	.00½	Duprat	.00¾	....	....	....
1	.43	.18½	Eldorado	.27	.35	.25	.20
1	.01	.00½	Everett	.00½	....	....	....
None	6.50	1.10	Falconbridge	1.55	1.53	1.40	1.35
1	.05½	.00½	Federal	.03	.05½	.03½	.05
None	.05½	.00¼	Flintoba	.00¼	....	....	....
None	.24½	.09	Gem Lake	.22	.22	.21	.21
None	.07	.01	Gilbec	.01	....	....	....
1	.04½	.01½	Goldale	.02½	.04	.04	.04
10	.27	.20	Goldfield	.22	....	....	....
1	.02	.00¼	Gold Hill	.00¼	....	....	....
1	.10	.02	Goldfish	.03⅛	....	....	....
1	.03½	.00¼	Graham	.00¾	....	....	....
None	2.05	1.00	Granada	1.70	1.75	1.67	1.72
1	.01	.00¼	Grover Daley	.00¼	....	....	....
	.10	.03½	Grozelle	.05	.06	.06	.06
1	.03	.01	Harker	.01	....	....	....
1	.18	.10½	Hayden	.10½	....	....	....
1	.01	.00¾	Hilltop	.00½	....	....	....
1	8.10	4.90	Hollinger	7.25	8.10	7.10	8.00
1	1.40	.14	Howey Gold	.31	.35	.29	.33
None	14.65	3.50	Hudson Bay	4.50	4.60	4.25	4.50
None	.31	.30	Huronian	.31	....	....	....
None	44.50	12.75	Int. Nickel	15.50	15.62	14.50	14.75
1	.04½	.00⅛	Jackson M.	.02	.01½	.01⅛	.01⅛
1	.40	.25	Keeley	.27	.27	.27	.27
1	.04	.00½	Keora M.	.00½	....	....	....
1	.01¾	.00¼	Kirk. Hunt	.00¼	....	....	....
1	.95	.35	Kirk. Lake	.69	.71	.65	.69
1	.03½	.00½	Kirk. Prem.	.01	....	....	....
20c.	.08	.01	Koot. Flor.	.01	.01	.01	.01
	.02	.02	La Rose	.02	....	....	....
1	25.10	19.00	Lake Shore	24.75	25.10	24.25	24.85
1	.04	.00½	Laval	.01	....	....	....
1	.01	.00¼	Lorraine C.	.00½	....	....	....
1	.14	.05	Macassa	.12½	.13½	.12	.13
1	.07	.01½	Malartic	.03	.03¼	.03	.03¼
None	.35	.06	Mandy	.08	.09	.09	.09
None	.17	.02	Man. Basin	.03½	.02½	.02½	.02½
None	.30	.12	McDougall	.15	....	....	....
1	.60	.25	McKinley	.25	.35	.35	.35
5	23.00	15.05	McIntyre	22.15	22.10	21.75	21.75
1	.30	.04	McVittie	.04	....	....	....
5	3.60	.50	Mining Corp.	2.00	2.05	1.74	1.76
1	.01¼	.00½	Mint Ore	.00½	....	....	....
1	.04½	.01	Moffatt Hall	.01⅛	....	....	....
1	.04	.02	Moneta	.03½	....	....	....
1	.07	.00¼	Mtl. Rouyn	.00½	....	....	....
1	.50	.10	Moss	.20	....	....	....
1	.05½	.01	Murphy	.01	....	....	....
1	.26	.04	Newbec	.06	.06	.05¼	.06
1	.05½	.02	Night Hawk	.02	....	....	....
5	1.85	1.00	Nipissing	1.25	1.30	1.25	1.30
None	44.25	11.70	Noranda	15.00	15.60	14.00	15.25
1	.46	.18	Nor. Canada	.36½	.37	.34	.35
None	.07	.02	Old Colony	.02	....	....	....
1	.03¾	.01	Ophir	.01	....	....	....
1	1.36	.06¾	Oriole	.10	.10¼	.07¼	.07½
1	.30	.07	Osisko	.07	.09	.09	.09
1	.03	.01¼	Pawnee Kirk	.01½	.02	.02	.02
None	5.15	.59	Pend. Ore	.75	.80	.70	.75
1	.19¾	.02¾	Pete Cobalt	.03⅛	.03¼	.03	.03
1	.01½	.00¼	Picard	.00¼	....	....	....
1	.20	.04	Pioneer	.04	....	....	....
1	.01	.00¾	Porc. Crown	....	.01	.00¾	.01
1	.03¼	.00½	Potter Doal	.00½	....	....	....
1	1.60	.60	Prem. Gold	.75	.74	.70	.70
1	.70	.04	Quemont	.07	....	....	....
1	.03	.00¼	Ribago	.00½	....	....	....
1	.28	.24	Rich. Rock	....	.28	.24	.28
1	.10	.02	Ritchie	.04	.04	.03½	.04
1	.04	.00¼	R. Montbray	.01	....	....	....
1	.08	.01	Salmo Mal.	.01¼	....	....	....
None	.35	.07	San Antonio	.13	.13	.12	.13
1	.56	.17	Seven Troughs	.20	.20	.20	.20
1	3.50	.55	Sherritt G	1.00	1.00	.87	.90
1	.75	.24	Siscoe	.44	.49	.42½	.45½
1	.04½	.00½	So Keora	.03½	....	....	....
None	.07	.01½	Stadacona	.04	.04	.03	.03½
1	.29	.03½	St Anthony	.03½	.04	.04	.04
1	.25	.11	Stewart Abate	.11	....	....	....
None	5.35	.45	Sud. Basin	.70	.70	.60	.60
1	.05	.01	Sud. Contact	.01½	....	....	....
1	.01	.00¼	Sudbury M.	.00½	....	....	....
None	.20	.03	Sudbury N.	.03	....	....	....
1	1.00	.20	Sunloch	.25	....	....	....
1	1.02	.39	Sylvanite	.57	.60	.53	.59
1	.22	.04½	Tashota	.05	.04½	.04½	.04½
1	7.30	4.70	Teck Hughes	6.40	6.80	6.35	6.65
1	.19	.04	Telluride	.06	.06½	.06	.06½
1	.03	.02	Temiskaming	.02	....	....	....

Par Val.	Range 1930-31 High	Low	Company	Close Jan. 12 (or last)	High for week	Low for week	Close Jan. 19
1	.12	.01½	Thom. Cad'c	.02½	....	....	....
1	.05½	.00½	Tough Oakes	.01	....	....	....
1	1.50	.10	Towagmac	.22	.20	.20	.20
None	7.50	.75	Treadwell	1.50	1.50	1.25	1.50
None	3.25	2.75	Tri-Metals	2.75	....	....	....
	.04½	.04½	United Kirk	....	.04½	.04½	.04½
	.09½	.01	Vacuum Gas	.02	....	....	....
None	3.50	.30	Ventures	.50	.50	.45	.47
1	.50	.10	Vickers	.10	....	....	....
1	1.42	.60	Vipond	1.10	1.19	1.05	1.14
None	5.65	1.40	Waite Ack.	2.00	1.90	1.75	1.75
1	.03	.01	West D. Lake	.01½	....	....	....
	.09	.01½	West Tree	.01½	....	....	....
1	1.30	.12	White Lake	.24	.22	.20	.22
1	.05½	.02	Wiltsey	.05	....	....	....
None	.01¼	.00¼	Windfall R	.00⅛	....	....	....
None	.07	.03	Wood Kirk.	.03½	....	....	....
None	2.30	1.35	Wright-Har	1.99	2.11	1.97	2.09
			WESTERN OIL STOCKS				
1	.70	.05	Acme	.25	.25	.16	.23
1	2.10	2.00	Admiral	2.00	....	....	....
None	1.25	.22	Advance	.23	....	....	....
1	3.75	.30	Alta Pac	.33	.35	.31	.32
None	2.00	.18	Associated	.20	.22	.19	.19
1	2.91	.80	Ajax	1.56	1.58	1.44	1.50
None	1.60	.08	Baltac	.09	.10½	.10	.10
1	.20	.07	Black Dia	.07	....	....	....
1	.74	.22½	Brit. Dom	.27	.27	.26	.27
1	4.25	.20	Calmont	.27	.27	.22	.24
None	3.90	.50	Calgary & Ed.	.68	.71	.65	.69
1	1.00	.10	Comm. Pete.	.33	.40½	.31	.31
None	.25	.10	Cypress	.12	....	....	....
None	3.50	.45	Dalhousie	.59	.59	.51½	.55
None	.30	.04¼	Devenish	.05	....	....	....
None	.26	.05¼	Dome Oil	.11	.10	.09½	.10
None	1.35	.13	E. Crest	.59	.56	.47	.53
1	.08½	.02	Fabyan Pete.	.02¼	....	....	....
None	2.50	.40	Foothills	.60	....	....	....
None	1.00	.14	Freehold	.17½	.17½	.16	.16
1	.20	.02	Great West.	.02	.02	.02	.02
None	1.40	.10	Hargal	.14	.14	.11½	.11½
None	.45	.12	Herron Pete.	.14½	....	....	....
None	.25	.05	High Sarcee	.07½	.07½	.07½	.07½
None	10.00	1.50	Home	1.75	1.75	1.50	1.55
None	.82	.09½	Homestead	.17½	.17	.15	.16¼
1	.55	.04½	Ill. Alta	.07	.07½	.06½	.06¼
None	2.35	.25	Lowery	.50	.45	.45	.45
1	.20	.02½	Madison	.03¼	.03¼	.03¼	.03½
1	3.25	.40	Mayland	.81	.85	.75	.75
None	.33	.09	McD. S. Ex.	.10½	.10¼	.10	.10
1	1.10	.25	McD. S. M	.29	.28½	.27	.27
1	5.90	.63	McLeod	.72½	.72	.68	.70
None	.87	.20½	Mercury	.35½	.38	.33½	.34
None	1.05	.03	Merland	.16½	.16	.15	.15½
1	.42	.14	Mid West	.17	.18	17½	.17½
None	2.10	.15	Mill City Pete	.38	.38	.35	.36
1	.45	.18	Model	.34	.40	.35¼	.37½
1	.91	.12	Monalta	.12	.12	.12	.12
1	.30	.12	Moose M.	.30	....	....	....
1	.10	.02	New Federal	.20	....	....	....
None	2.32	.29	Nordon	.36	.35	.29	.34
None	.27	.02⅞	Oil Select	.04½	.04½	.02⅞	.03
None	2.10	.24	Okalta	.27½	.28	.25	.25
None	.25	.03	Olga Gas & Oil	.08	.08	.07	.08
1	.58	.11	Petrol	.33¼	.34	.31	.31
	2.45	1.70	Penn. Pete.	2.30	....	....	....
None	.48½	.06	Ranchmen's	.10	.14	.12	.12
1	.45	.03	Regent	.05	.05	.04½	.05
None	.48	.05	Richfield	.11½	.12	.10	.11¼
None	65.00	15.00	Royalite	17.50	17.25	16.10	16.10
1	1.46	.20	Sarnia Oil	.20	....	....	....
1	.50	.15	Sioux City	.15	....	....	....
1	.22½	.04½	Signal Hill	.04¼	.05	.05	.05
1	1.30	.35	Spooner	.44	.51	.40	.50
None	2.10	.24	So. West Pete.	.24	.20	.20	.20
None	1.08	.06	Sterling Pac.	.18	.17½	.16	.16
	.20	.05	Turner Basin	.20	....	....	....
1	.60	.03	Turner Valley	.15	....	....	....
None	1.65	.25	United	.28	.30	.25	.26
None	.83	.19	Vanalta	.19	....	....	....
1	.80	.11½	Vulcan	.15½	.15½	.14½	.14½
None	.15	.01¼	Wainwell	.02⅞	.03	.01½	.03
1	1.75	.14	Waite Valley	.15	.18	.18	.18
	.62	.50	Wellington	.50	....	....	....
			VANCOUVER STOCK EXCHANGE (Transactions for Week to January 14)				
25c.	....	....	Bayview	.01	.01	.01	.01
25c.	....	....	Beaver Silver	.01	....	....	....
25c.	....	....	Bluebird	.02½	.02	.02	.02
25c.	....	....	Cork Province	.01	.01	.00¼	.01
1	....	....	Cotton Belt	.18	.20	.20	.20
1	....	....	Duthie	.14	....	....	....
1	4.50	.55	George Copper	.65	.65	.65	.65
1	....	....	Georgia Riv.	.02	.02½	.02	.02
50c.	....	....	Geo. Enterprise	.10	.05	.05	.05
10c.	....	....	Gladstone	.20	....	....	....
50c.	....	....	Glacier	....	.02½	.02½	.02½
1	1.90	.30	Golconda	.35	.40	.35	.40
50c.	.90	02	Grandview	.04	.05	.04	.04
1	....	....	Intern. Coal	.15	.17½	.17½	.17½
1	....	....	Independence	.01½	.01	.01	.01
1	.09	.00½	Indian Mines	.01	....	....	....
1	....	....	Jack Waite	.45½	....	....	....
25c.	....	....	Lakeview	.00¼	....	....	....
1	....	....	Los Ang. Van.	.12	.12	.12	.12
25c.	....	....	L. & L.	....	....	....	....
10c	.10	.01	Lucky Jim	.02½	....	....	....
25c.	.56	.01	Kootenay King	.01¼	....	....	....
2.50	....	....	Marmot Gold	.01	....	....	....
25c.	....	....	Mohawk	.00½	....	....	....
1	....	....	Montana Mines	.22	....	....	....
1	.13½	.01½	Morton Woosley	.04	.05	.03½	.05
50c.	.26	.02	National Silver	.02¼	.02½	.02	.02½
50c.	.40	.03	Noble Five	.05	.05½	.05½	.05½
50c.	.17	.04	Oregon Cop.	.05½	.06	.05½	.06
1	1.75	.75	Pioneer Gold	1.35	1.35	1.25	1.25
50c.	.15	.06¾	Porter Idaho	.08	.08	.08	.08
None	....	....	Premier Border	.01	.01	.01	.01
1	1.00	.07	Planet Mines	.07	....	....	....
None	1.78	.20	Reeves McD.	.25	.21	.20	.21
1	....	....	Reno Gold	.12½	.12½	.12	.12
1	.57	.02	Rufus Argenta	.02	....	....	....
1	.25	.04	Ruth Hope	.04½	....	....	....
1	....	....	Silverado	.04	....	....	....
25c.	....	....	Silver Crest	.02	.02	.02	.02
20c.	....	....	Silversmith	.05	....	....	....
50c.	.26	.01½	Snowflake	.02½	.03	.03	.03
1	.01½	.01¼	Terminus	.01½	....	....	....
50c.	.06	.01	Topley Rich.	.01	....	....	....
5	.30	.25	Toric	.25	....	....	....
20c.	....	....	Wellington	.01	.01	.01	.01
1	.24	.05	Whitewater	.05	....	....	....
None	.05	.00¼	Woodbine	.01¼	.01¼	.01	.01¼

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$12.50	8.92	Nipissing	30c.	23.07
Dome Mines	$1	9.80	Premier	12c.	17.14
Hollinger	65c.+5c.	8.75	Royalite	50c.	....
Home Oil	25c.	....	Sylvanite	$2	3.39
Inter. Nickel	$1	6.78	Teck Hughes	60c.	9.02
Lake Shore	$1.20+30	6.03	United Oils	5c.	....
McIntyre	$1	4.59	Wright-Har	5c.	....

LOWER PRICES WILL SPEED EARLY BUSINESS RECOVERY

(Continued from page 1)

tries which have been comparatively little affected by the present depression. All that we as manufacturers and distributors of the needs of our people, require to do, is to see that our wares continue to be available to the consumer at a price within his spending power.

Some House Cleaning to Do

I do not know that goods have yet been sold for as low a price as they will reach, but I do know that there are still manufacturers in various lines who have failed to bring down their prices to the present spending power level, and these are the enemies of recuperation. If more prosperous times are to be realized without painful delay, it will be because one and all have "cleaned house" and gotten rid of conventional situations and artificial prices.

We cannot resurrect the valuable lives which disappeared during the War; we may not be able to stem the unreasonable levies of the war creditors; but the price fixer and the man who makes demands on governments for guarantees are our economic enemies, and neither their own best friend nor the friends of those whose interests they profess to serve.

Guard Against Schemes

I think that as manufacturers and merchants we should be on the watch for movements which are set in motion because of the unreasonable demand of agitators, and which militate against the public interest, even though such agitators may pretend to represent those who may be smarting under the sense of injury from losses they have made.

In our democratic system it is natural that governments should fail to move without a strong public sentiment being expressed, and therefore many highly desirable developments never take place because of the difficulty of crystallizing a sufficient body of public opinion behind a given development enterprise.

On the other hand governments in these days are feverish with anxiety to act, and are likely to respond imprudently to clamourings for emergency measure, because of the insistent claims of considerable bodies of the agitators referred to. Demands for measures in the supposed interest of manufacturers are bound to be met by even more insistent demands from other elements in the community, and our situation is too good to be endangered or even disturbed by volatile agencies.

Not Magnify Difficulties

Even in the West where the most acute suffering is felt, and where the most serious reaction to the new prices of wheat must take place, it is quite improbable that more than 10 per cent of the producers will disappear. A considerable percentage will have serious difficulty in solving their situation, but on the whole in a very short time we will look back to these present days and wonder what the fuss was all about. It is in times like these that instead of magnifying present difficulties we should launch out into the deep of new enterprise and new development.

Morrisey Heads Toronto Unit United Engrs. & Constructors

From Our Own Correspondent

MONTREAL.—Lieut.-Col. T. Sydney Morrisey has been appointed vice-president of United Engineers and Constructors (Canada). Col. Morrisey will take charge of the recently opened Toronto office.

For the past six years Col. Morrisey has been vice-president and general manager of Combustion Engineering Corp., and has been identified with the study and introduction of the economical use of Canadian coals for the generation of steam. He is known throughout the Dominion as a pioneer in this rapidly developing field, and it was due to his efforts in a large measure that the first pulverized coal installation in Canada using Dominion coal was made for the St. Lawrence Paper Company a few years ago.

Remarkable Progress!
New business for 1930 exceeds $107,000,000!

AN exceptionally fine record of growth was reported at the fifty-sixth annual meeting of The London Life Insurance Company held on January 19, 1931.

New Insurance Issued - - $107,189,000
(more than $2,000,000 a week)

Insurance in Force - - - 439,700,000

Total Assets - - - - - - 65,346,491
(a gain of $7,538,336)

The London Life's investments consist chiefly of first mortgages on improved real estate and government and municipal bonds. Its financial position cannot be affected by violent marked price fluctuations.

Rate of interest earned on invested assets 6.46%

Policy Reserves—the money required to meet the future obligations under the Company's policies—are greater by $3,893,790 than required by the Dominion Insurance Act.

Surplus Earnings for the year were the greatest in the Company's history. After deducting the funds necessary to meet all government requirements and providing in addition for all profits due and accruing to policyholders, the Accumulated surplus amounts to over $7,539,000, an increase of $1,312,121.

Extraordinary security afforded policyholders

The favorable results of the year add still further to the reputation of the Company for "its sound investment policy, financial strength and returns to policyholders."

A copy of our annual statement will be mailed on request

London Life Insurance Company
"Canada's *Industrial-Ordinary* Company"
HEAD OFFICE • LONDON, CANADA

Current Events in Banking World

BANK OF N. SCOTIA ADDS FOUR MILLION TO RESERVE FUND

Assets and Deposits Hold Well Above General Level

DO MUCH BUILDING

Annual Report Shows $1,400,000 Spent on Bank Premises in 1930—Profits Lower

Earnings of $16.83 per share on the 120,000 shares outstanding (after deduction of taxes and bank premise write-offs) are shown by the Bank of Nova Scotia in its yearly statement presented to the annual meeting this week. This compares with $22.61 earned on the 100,000 shares outstanding as at the end of the 1929 fiscal year. Before deducting taxes and bank premise write-offs, earnings in 1930 were $21.16 as against $27.61.

Assets show considerable resistance to a downward trend, the 1930 figure showing a decline of only 4 per cent from the 1929 record, whereas latest figures available show that at the end of November, assets of all chartered banks in Canada had shown a decline of 10.5 per cent. Deposits have also been maintained at a remarkably high figure, savings deposits at $166,770,000 being only $1,200,000 less than a year ago. Demand deposits at $33,272,000 are only $4,500,000 less than in 1929, a decline of only 12 per cent as compared to an average decline for all banks of about 20 per cent.

Another interesting feature of the bank's statement is the fact that advances from the Government under the Finance Act have entirely disappeared this year as against advances amounting to $6,000,000 a year ago.

Building Programme Reflected

Important changes have also taken place in Nova Scotia's bank premises account. The sum of $400,000 has been written off this account during the year, and in addition a write-up of over a $1,000,000 appears, indicating the expenditure during the year of nearly $1,500,000. It will be remembered that the bank has been very active in its construction programme during the year and in addition to purchasing a valuable property for the erection of an office building at King and Bay Sts., Toronto, has completed a beautiful structure at Calgary and is also building an office at Halifax where the bank's statutory head office is located.

A further important step is the transference of $1,000,000 from profit and loss to reserve. This brings the bank's reserve up to $24,000,000 as against $20,000,000 at the end of 1929, the balance having been supplied through premium on new stock offered to shareholders early in 1930. The balance at profit and loss as at the end of 1930, stands therefore at $534,831 as against $1,465,843 a year previous.

The following table gives a comparative analysis of the bank's position as compiled by The Financial Post:

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1930 $	1929 $	1928 $
Net profit*	2,535,643	2,761,117	2,535,518
Less appropriations:			
Dividends	1,836,207	1,600,000	1,600,000
Pension fd....	115,000	110,000	100,000
W/o prem. ..	400,000	400,000	300,000
Govt. taxes ..	115,448	100,000	100,000
Surp. for year .	68,988	551,117	435,518
Add: Prev. surp.	1,465,843	914,726	479,207
Transf. to res. .	1,000,000	....	....
Surp. carr. for'd	534,831	1,465,843	914,725

*After providing for charges of management and all bad and doubtful debts.

GENERAL STATEMENT
As at December 31
Immediately Available Liquid Resources

Assets	1930 $	1929 $
Specie	9,503,866	9,305,151
Dominion notes	14,690,183	117,685,184
Dep. in cen. gold res.	3,500,000	7,500,000
Due by for. banks ..	4,858,283	4,344,048
For. currency	1,401,982	1,876,687
Govt. secs.	25,636,967	20,356,004
Call loans abroad	7,298,060	12,763,039
	66,889,341	73,830,113
Loans and Securities Other Than Those of Canadian Government		
Public secs.	10,986,543	8,097,176
Rly. & other secs. ...	12,129,112	8,756,451
Can. call loans	30,813,116	32,376,949
Current loans	99,755,787	102,339,213
Loans abroad	16,114,326	20,643,118
	169,798,884	172,312,907
Due From Other Banks		
Notes of other banks	1,094,638	1,354,350
Cheques of other banks	11,085,355	12,415,377
	12,179,993	13,769,727
Other Assets		
Non-curr. loans	151,362	178,930
Real estate	63,221	....
Letters of credit	5,455,771	6,696,978
Premises	7,864,735	6,848,591
Dep. re circ. fund ..	530,231	503,965
Other assets	182,123	200,162
	14,247,443	14,428,626
Total assets	263,115,661	274,241,373
Liabilities		
To the Public		
Circulation	13,967,347	16,202,264
Govt. advances	....	6,000,000
Deposits by public:		
Demand	33,272,195	37,748,731
Savings	166,770,062	167,988,664
	214,009,604	227,939,659
To Banks Abroad, etc.:		
Foreign banks	2,471,674	2,982,665
Bills payable	504,354	823,608
Letters of credit...	5,455,771	6,696,978
Sundry liabs.	310,557	316,498
	8,742,356	10,819,749
To banks in Canada	3,348,623	3,613,610
To the Shareholders		
Dividends	480,248	402,512
Reserve	24,000,000	20,000,000
Capital	12,000,000	10,000,000
Surplus	534,830	1,465,843
	37,015,078	31,868,355
Total liabilities	263,115,661	274,241,373

Canada is Well Represented At Buenos Aires Exhibition

Canada will be well represented at the British Empire Trade Fair at Buenos Aires to be opened by the Prince of Wales on March 14. Practically all available space in the Canadian pavilion is reported to have been booked and the bulk of various private exhibits have already been shipped. A contingent of members of the Canadian Manufacturers Association and the Canadian Chamber of Commerce is sailing from Halifax on February 21.

Some 50 Canadian companies are exhibiting their products and there will be additional exhibits by the Dominion government, Canadian universities, National Art Gallery and other organizations. Many of the Canadian Government exhibits shown at the Antwerp Exhibition have been incorporated at the Buenos Aires exhibit.

Thousands of Depositors Gained by Novel Plan

Enterprising Trust Companies Attract Torontonians' Savings Accounts by Lure of Premiums

Several thousands of new savings accounts have been opened in Toronto within the past fifteen months as a result of an enterprising scheme launched by two trust companies in the city.

The first plan was inaugurated by the Chartered Trusts and Executor Co., about fifteen months ago and involved the offering by the company of a handsome premium to all those who would start a savings account and would fulfill a simple obligation to have on deposit the sum of $50 at the end of twelve months. This was the first time that any such scheme had been attempted in Canada, although it has been operated successfully in the past in the United States.

The second scheme was brought out by the Sterling Trust Co. at its Toronto office and involved the use of a "Calendar Bank" which required so many nickels and dimes to keep it up to date and which was given free of charge to the prospective client if a similar obligation to deposit $50 was fulfilled.

Success is Phenomenal

The success of the two schemes has been nothing short of phenomenal, according to the managers of these respective institutions and although definite figures cannot be obtained it is known that each institution has gained thousands and thousands of new depositors, most of whom are sure to have at least $50 on deposit at the end of a twelve month period. Here are the details of the Chartered Trust campaign.

In the fall of 1929, the Chartered Trusts Co. entered into a contract with a New York group and as a result five young Torontonians who had been specially trained for the work by officials of the trust company, set out to canvass selected groups of Torontonians, armed with half a dozen attractive premiums and a strong desire to exchange these premiums for regular customers at the trust company's offices at 34 King St. West.

Clocks and Pen Sets

The premiums included an attractive desk-alarm clock finished in dull brass, and with a small banking compartment in the base; a small dainty mantle clock; a Canadian-made men's fountain pen and pencil set, and as an alternative a more expensive large-sized fountain pen with special nib; and a small fountain pen and pencil in a lady's size. The intrinsic value of each of these premiums was placed at at least in the $5 mark, while some were said to be worth considerably more.

Briefly the plan as unfolded by these five salesmen was that the prospective customer would be given any one of these premiums in return for a five-dollar bill. This five dollars to be returned to the customer if, a year after making his or her first deposit with the Chartered Trust Co., there was a credit of $50 in the account. No strings were attached whereby regular monthly deposits were compelled, and the account, once opened was treated just as any other account with full checking privileges and bearing interest at 4 per cent.

Lasted Fifteen Months

The campaign lasted approximately fifteen months and has just been completed. According to the officials of the company the results exceeded all hopes for its success and literally thousands and thousands of customers have in this way formed the habit of depositing their savings, not at their local savings bank but at the Chartered Trust office on King Street. Another interesting sidelight is that the company reports that since the campaign started there has been a substantial increase in the number of ordinary savings accounts that have been opened up in the usual way, quite apart from the impetus given by the premium plan.

As the plan originally started over a year ago there has been ample time for the company to watch the fruition of some of the early accounts and it is reported that only a small percentage failed to have the $50 in their account at the end of twelve months and that an equally small percentage failed to open an account to redeem the five dollars paid originally for their premium.

The cost of such a plan, which of course was substantial, has been charged to advertising and having thus made a contact with this large body of new customers the trust company hopes that over a period of years the increased business will accrue permanently to them will more than offset the original cost of this novel premium plan.

Sterling Trust Plan

The Sterling Trust plan has the same motive, namely to increase its savings deposit customers, but a somewhat different method was used. A contract was entered into with a corporation which specializes in this type of work, to give prospective customers a "Calendar Bank" which contains some half a dozen slots for inserting five, ten, twenty-five and fifty cent pieces, and dollar bills. At the base of the bank is a calendar device which turns to the correct day and month when the proper coins are inserted in the slots above. If the calendar is moved regularly every day, the sum of $50 will have been saved in a period of about fifteen months.

The customer pays a $3 deposit for this bank and if regular monthly deposits of savings have been made and the sum of $50 is on deposit fifteen months after the first deposit has been made, the $3 is returned to the customer.

This plan has only been in operation since April, 1929, and the campaign is only now being wound up so that complete data as to its success is not available but officials of the company report that by this method a very substantial increase in the company's customers has been achieved, and that they are more than pleased with the result. No decision has been made as yet as to what will be the fate of these banks at the end of the fifteen months, that is, whether they will return to the bank or will be left with the customers.

Bank Chat

O. E. BURKELL, recently appointed manager for the Bank of Toronto at Coronation flew in from Assiniboia, Sask., a 300 mile trip that was accomplished in three hours. He relieved G. A. HETHERINGTON who has been transferred to the east.

The Bank of Nova Scotia announces the following staff appointments:

W. TORRIE becomes an inspector; A. A. ARMSTRONG and W. E. STARRAK to be assistant inspectors, and E. L. PIGGOTT to be assistant supervisor of staff.

The Bank of Commerce announces the following staff changes and notes:

W. H. SHEPPARD, manager at Port Dalhousie, has been appointed manager at Auburn, Ont.

A. M. RICE, manager at Auburn, has been appointed manager at Ayr, Ont.

The branch of this bank recently opened in the Medical Arts building, Hamilton, is to be known as the James and Young, Hamilton, branch.

D. RYMER, manager at Ayr, has been appointed manager at Ingersoll, Ont.

C. K. Smith, manager at Ingersoll, has been appointed manager at Parkhill, Ont.

The Port Dalhousie, Ont., branch will be operated as a sub-branch under the supervision of the St. Catharines manager.

H. C. CAMPBELL, manager at Parkhill, has been appointed manager at Port Elgin.

W. A. MacKENZIE has been appointed manager at Smoky Lake, Alta.

Bank of Commerce Dividend

The board of directors of The Canadian Bank of Commerce declared a dividend of 3 per cent for the three months ending February 28 next. The dividend is payable March 2, to shareholders of record of January 31.

The transfer books will not be closed.

Weekly Bank Clearings

Eastern Cities	Jan. 16, 1930	Jan. 15, 1931
Halifax ....$	3,099,505	......
Saint John	2,200,673	2,040,443
Moncton	866,507	695,598
Sherbrooke	816,249	602,779
Quebec	6,815,448	5,122,937
Ottawa	7,245,248	5,303,674
Montreal	161,909,556	109,684,033
Kingston	773,868	698,320
Peterboro'	675,000	759,402
Toronto	126,436,780	93,905,370
Hamilton	5,612,049	4,453,300
Kitchener	1,265,272	899,080
Brantford	1,035,466	917,629
London	3,061,403	3,015,930
Chatham	694,966	651,741
Windsor	4,131,426	2,896,618
Sarnia	608,236	539,450
Sudbury	1,116,561	755,502
Western Cities	**Jan. 16, 1930**	**Jan. 15, 1931**
Fort William ......$	788,307	$ 601,608
Winnipeg	41,091,877	29,090,660
Brandon	478,941	423,298
Moose Jaw	941,866	755,225
Saskatoon	2,001,900	1,599,043
Prince Albert	394,359	333,151
Edmonton	5,301,642	4,139,533
Calgary	9,108,868	6,432,068
Medicine Hat	321,359	197,932
Lethbridge	495,810	385,190
Vancouver	19,195,382	14,187,671
Victoria	2,542,977	1,943,807
Regina	......	3,227,458
New Westminster ..	......	665,055

B.C. FRUIT MARKETING NEEDS NEW METHODS

Sanford Evans Report Advises Scrapping of Present Act

Scrapping of the present produce marketing act and proposed plans of compulsory central selling is recommended by W. Sanford Evans, special government fruit investigator in a final report just presented to the British Columbia government. It is suggested that the great interior fruit industry of the province can be made a success if it will get down to the ordinary well-tried principles of business.

Mr. Evans proposes that the fruit industry turn its back on all artificial attempts to control prices and to develop a business-like system of marketing on lines followed successfully by other industries. While he does not think it necessary to continue the Produce Marketing Act any longer, it might be advisable, he says, to keep it in effect for a short transitional period, under one administrator or "dictator." Meanwhile the growers should get together and develop their own selling system according to conditions.

Creating demand is discussed by Mr. Evans in his report. He is satisfied that there is more business to be got on the prairies. In export trade, he asks why the United States sells to 82 countries and Canada to only 43 countries. Canada ships about 90 per cent of its apple exports to Great Britain, which, he states, is dangerous dependence on one market Even then, he adds, the United States sells Great Britain about twice as many apples as Canada, but this is only two-thirds of its surplus.

B. J. COGHLIN CO. LIMITED
3320 ONTARIO ST. EAST, MONTREAL
ESTABLISHED 1869

SOUND POSITION DOMINION BANK SHOWN IN REPORT

Profits Reported at $1,409,747 as Against $1,522,804 in 1929

A decline of 8 per cent in total assets and a drop in profits of less than 7.5 per cent as compared with 1929, is shown in the annual report of the Dominion Bank published last week. Total assets at the end of December stood at $141,723,848, while net profits before appropriations but after allowance for bad and doubtful debts,were $1,409,747 as against $1,522,509 in 1929. Although no figures are available for all banks as at December 31, it is interesting that as at November 30, total assets of all Canadian banks had declined 10.5 per cent from the 1929 figure which indicates a better than average position for the Dominion Bank.

Earnings Parallel 1929

Earnings per share after appropriations of $180,078 for taxes and $200,000 written of bank premises equalled $14.71 per share in 1930 as against $14.83 in 1929. In 1929 the bank wrote off $300,000 from bank premises account and paid $185,286 in taxes. Earnings before deduction of taxes and bank premises write-off were $20.14 in 1930 and $21.77 in 1929. On the basis of the average paid-up capital stock during 1929, earnings before appropriation in that year were $22.42.

Among the banks liabilities, the most substantial decline is noted in demand deposits which decreased approximately 20 per cent to $20,794,000. This decline is identical with the showing of all Canadian banks as at the end of November, when compared with similar figures a year ago. Savings deposits show considerable strength being only about 1 per cent below the 1929 figure.

Advances Drop Considerably

Another important change as compared with a year ago is the item "Advances From the Government." A year ago this reached the phenomenal figure of $6,500,000 indicative of the large sums tied up by the banks due to the slow movement of the crop in that year. This year these advances have dropped to $2,000,000 which is on a par with the experience of most Canadian banks and is in line with the amount advanced to the Dominion Bank in 1928.

In common with other Canadian banks, the Dominion statement indicates the substantial falling off in foreign trade which has occurred, the item "Letters of Credit" having declined from $5,041,000 to $3,415,000.

The percentages of cash assets and immediately available assets to public liabilities are both higher than a year ago—cash assets, $25,464,000 are approximately 21 per cent of public liabilities and immediately available assets, $64,896,000, are nearly 53.50 per cent of public liabilities. Considering the lesser demand for commercial loans, such advances show a moderate decrease—less than $9,000,000, only 12 per cent below the total of the previous year.

The following is a detailed analysis of the bank's statement as prepared by The Financial Post:

GENERAL STATEMENT AS AT DEC. 31
Immediately Available Liquid Resources

Assets	1930 $	1929 $
Specie	1,044,517	1,500,930
Dominion notes	10,111,311	8,491,936
Dep. in cen. gold res.	1,000,000	1,500,000
Due by for. banks	3,272,092	3,502,009
For. currency	136,994	114,722
Govt. secs.	15,461,330	14,365,735
Call loans abroad	3,517,969	7,004,039
	34,544,213	36,479,371
Loans and Securities Other Than Those of Canadian Government		
Public secs.	3,670,108	3,153,991
Rly. & other secs.	2,542,086	2,321,457
Can. call loans	14,240,783	14,076,370
Current loans	64,804,522	73,693,206
Loans abroad	1,952,322	1,328,732
	87,209,821	94,573,756
Due From Other Banks		
Notes of other banks	754,410	961,440
Cheques of other banks	9,144,746	10,781,726
Due by other banks ..	....	21
	9,899,156	11,743,187
Other Assets		
Non-curr. loans	88,828	85,939
Real estate	43,810	1,503
Mortgages	16,499	17,811
Letters of credit	3,415,169	5,041,068
Premises	6,052,767	5,809,841
Dep. re circ. fund ...	350,160	329,863
Sundry assets	103,425	98,964
	10,070,658	11,384,989
Total assets	141,723,848	154,181,303
Liabilities		
To the Public		
Circulation	6,577,213	7,690,312
Govt. advances	2,000,000	6,500,000
Deposits by public:		
Demand dep.	20,793,982	25,248,748
Savings dep.	86,638,425	88,102,836
	116,009,620	127,541,896
To Banks Abroad, etc.:		
Foreign banks	3,850,281	2,803,658
Bills payable	22,146	22,632
Letters of credit ..	3,415,169	5,041,068
Other liabilities ...	494,066	539,792
	7,781,662	8,407,150
Due other Can. banks	1,207,775	1,582,539
To Shareholders		
Dividends and bonus..	280,572	283,114
Reserve	9,000,000	8,996,030
Capital stock	7,000,000	6,996,030
Surplus	444,219	374,544
	16,724,791	16,649,718
Total liabilities	141,723,848	154,181,303

BIRD'S-EYE VIEW OF WORLD FINANCE

Brief, Intimate Glances at Trend of Things Economic

Prepared weekly by the Bankers' Bond Company, Toronto

United States

As compared with November, 1930, December showed an increase of 86% in the sales of chain stores, 57% in that of department stores. Bond sales increased by 42%. Increases were also shown in stock sales of 13%, and new financing 2%. Automobile production increased by 14%, while anthracite coal production was stepped up by 9% and electric power by nearly 4%. The commodity markets during this period were mostly lower with the exception of silk which showed an advance of 5% on its value, wheat 3%, zinc 1%, and tin ½ of 1%. Scrap steel, gasoline, crude oil and lead were unchanged. Among the commodities which have suffered declines, corn led with a loss of 15%, hides 13%, rubber 12%, coffee, 5%, copper 4%, sugar 4% and live stock 1½%. Payrolls of all industries were lower in December 1930 when compared with the corresponding month of the previous year, declines ranged from 49% in agricultural implement industry, 42% in furniture, 40% in rubber, boots and shoes to 10% in slaughtering and meat packing. Wholesale distribution also compares favorably in this period.

United Kingdom

The weekly statement of the Bank of England during the past week reveals an increase in the reserve of over £12,000,000 against a further decrease of nearly £1,500,000 in bullion holdings. Deposits show an increase of over £5,000,000 while the proportion of the Bank's reserve to liability is nearly 45% as compared with 37¼% a week ago. The commodity markets during the past week have been mainly irregular, but it should be noted that the undertone has been steady and values on the week are about unchanged. An increase of £5,500,000 was indicated as an adverse trade balance for 1930 as compared with 1929 according to statistics issued by the Board of Trade recently. The aggregate balance stands at £387,806,969 for 1930. Large reduction in total imports and exports are also shown. Imports for 1930 are £1,045,000,000 against £1,221,000,000 in the previous year, exports being £657,000,000 against £839,000,000 in 1929.

General

It is estimated by one of the leading German banks that the value of shares quoted on the Berlin Boerse was about $2,500,000,000 at the close of last year, thus showing a shrinkage of 40% in values since early 1927 when quotations were at their peak. A considerable contraction is evinced in German imports for the past year. The first eleven months record a favorable balance of $350,000,000 against an adverse trade balance of approximately $2,000,000 in 1929. While exports declined from about $3,000,000,000 to $2,750,000,000, there was a still heavier decline in imports from $3,000,000,000 to $2,000,000,000.

Among other industries upon which the present depression has left its mark, the diamond trade in Holland should also be included. A measure was recently adopted by the International Commission of diamond cutters limiting the production of "cut" diamonds by 50%. The Jewellers' Association in Holland have moreover decided to work in alternate weeks. It is expected that this example will be followed by Belgium. Being one of the luxuries purchased largely by the United States, the diamond industry has been affected by the stock market debacle.

While the silver market has been declining rapidly, South American exchanges, particularly that of the Argentine, also worked in sympathy. Mexican dollars, holding a par value of 42½c, dipped to 21c during the week. The Bank of the Nation (Buenos Aires) shipped during the past week $5,000,000 in gold to New York for the purpose of bolstering the peso.

DOMINION BANK
INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1930 $	1929 $	1928 $
Net profit* ...	1,409,747	1,522,809	1,408,083
Less appropriations:			
Dividends ...	839,994	815,322	720,000
Bonus	70,000	69,944	60,000
Pension fund	50,000	50,000	50,000
W/o prem. ..	200,000	300,000	250,000
Dom. & Prov. taxes	180,078	185,286	176,326
Surp. for year .	69,675	102,257	151,763
Add: Prev. surp.	374,544	272,287	120,524
Prem. on stk.	3,970	996,030	....
	448,189	1,370,574	272,287
Less: Transf. to res.	3,970	996,030	....
Bal. carr. for'd	444,219	374,544	272,287

*After deducting charges of management and making provision for bad and doubtful debts.

Foundation Co. Secure Order On Large Job

From Our Own Correspondent

MONTREAL.—Foundation Co. of Canada has secured a contract valued at $500,000 in connection with the first section of the Montreal north end sewer, total cost of which will involve an outlay of about $7,500,000. The work is being carried out on Perras Boulevard.

The company, in addition to the recently awarded contract, has a substantial volume of work on hand and earnings to date are reported to be on a satisfactory basis. Foundation Co. will end its current fiscal year on April 30 and it is expected that profits will compare favorably with those of the preceding period.

Work in connection with the Canadian National Railways terminal contract is proceeding, this order was valued at $500,000. The contract calls for a 759 foot section of the eight track viaduct which will be two stories in height and 112 feet in width.

During the past six months Foundation Co. has spent over $200,000 on additions to its construction and floating plant. A new derrick ship has been purchased by the company's subsidiary, Foundation (Maritime), which will increase efficiency in operations while various improvements have been made to warehouses and yards.

Earnings of Foundation Co. in the fiscal year ended April 30, 1930, were equal to $2.86 a share on the capital stock. The shares are on an annual dividend basis of $1 a share.

Group Insurance Total $500,000,000

Group insurance aggregating more than $500,000,000 was in force in Canada during 1930 of which some 75 per cent was written by Canadian companies. C. D. Rutherford, F.I.A., assistant actuary of the Sun Life Insurance Co. presented these figures in addressing a recent meeting of the Life Insurance Institute of Toronto.

From China to Peru—

. . . in London, Paris or Havana—anywhere you go—Travellers' Cheques are universal money.

Before going away buy Travellers' Cheques at The Royal Bank of Canada and avoid worry while travelling. They are as good as cash and far safer.

SOLD HERE—ACCEPTED EVERYWHERE

3021 The Royal Bank of Canada

Manitoba Fish in Demand

The increased demand for lake fresh fish has brought the total of shipments back to normal and large consignments are leaving Winnipeg regularly for New York and Chicago where Lake Manitoba and Lake Winnipeg whitefish and goldeyes command a premium.

APPRAISALS REPORTS INVESTIGATIONS

Industrials — Public Utilities — Natural Resources

A Dollar is always A Dollar

IN every business, elaborate books of accounting are maintained to keep a record of the incoming and outgoing DOLLARS. And yet, in many of these plants, property DOLLARS — Building and Equipment values—are incompletely recorded.

Everything that comes into the factory should be regarded, dollar for dollar, as of equal importance with the currency in the bank, and should be subject to as definite control.

CANADIAN APPRAISALS are built on the principle that values of property should be, and can be, accurate and provable.

CANADIAN APPRAISAL COMPANY LIMITED

MONTREAL TORONTO WINNIPEG

9

Canada Life Progress Through the Years!

	In 1910	In 1920	In 1930
Surplus Earned	$ 1,233,163	$ 2,162,689	$ 6,268,410
Payments to Policyholders and Beneficiaries	4,789,047	8,254,883	23,147,101
Total Premium Income..........	5,040,860	11,616,968	33,288,110
Total Income from All Sources	7,048,916	15,729,307	45,516,447
Assets for Protection of Policyholders......	40,820,856	76,108,937	188,225,148
New Assurances Paid For	9,805,073	58,260,558	132,048,632
Total Business In Force	128,274,973	276,667,223	1,015,71[illegible] 701

The Canada Life keeps well ahead of the times, and its policy of "fair and square dealing," which began with its founding, 84 years ago, has been continuous.

Never has this Company contested a claim on a technicality, and from its inception it has paid dividends to policyholders every year.

Even during the Great War and Influenza epidemic, not one dollar of reduction in dividends was necessary, and for the past thirty-one years its high dividends to policyholders have never been reduced but, on the other hand, have frequently been increased.

Leighton McCarthy, K.C. President
E. R. Wood, LL.D. Vice-President

Canada Life Assurance Company
ESTABLISHED 1847

Herbert C. Cox Chairman of the Board
A. N. Mitchell General Manager

Insurance for Buyer and Seller

CANADA LIFE CO. BUSINESS IN FORCE NOW $1,015,711,000

Assets Increased Despite Difficult Period in 1930

Canada Life Assurance Company issued $142,268,000 of life insurance during 1930 and paid for $132,048,632, according to figures presented at the company's annual meeting last week. This compares with $170,729,000 issued, and $161,838,000 paid for, in 1929. The company increased its total assurance in force by $42,462,000 and topped the billion dollar mark with total business in force of $1,015,711,701 as at December 31, 1930.

The company's ledger assets show an increase of $6,500,000 and now stands at $179,557,000. Other assets, which include premiums in transit, and half yearly and quarterly premiums payable within nine months, (less cost of collection), and interest and rent due and accrued, amount to $8,667,880 as compared with $7,813,891 at the end of 1929. Surplus shows a slight decline to $7,199,879 as compared with $8,842,000 a year ago. Contingency reserves have also been reduced slightly to $1,658,000 as against $2,874,000 in 1929. The company's earned surplus as at the end of 1930 was the highest in its history at $6,268,400.

Premiums income from first year premiums shows a heavy decline at $4,662,000 as compared to $8,444,000 in 1929. Income received from renewal premiums is higher by nearly $2,000,000 and total net premiums income amounts to $33,288,000 in the previous year. Income from interest, dividends and rent is higher at $9,386,000 while profits on the sale of ledger assets shows an increase of nearly $1,000,000.

The following figures summarize leading items from the company's balance sheet and annual report.

Business	1930 $	1929 $
New ins. issued	142,268,388	170,729,628
New ins. paid for* ..	132,048,632	161,838,368
Annuities	3,194,310	3,370,737
Ins. in force	1,015,711,701	973,309,774
Assets, Etc.		
Total ledger assets .	179,557,267	165,953,777
Other assets	8,667,881	7,813,891
Policyholders reserves	172,214,168	155,534,797
Surplus	7,199,879	8,842,099
Conting. reserves...	1,658,484	2,874,223
Earned surplus	6,268,410	6,255,675
Income		
First year's premiums	4,652,138	8,443,994
Renewal premiums .	30,093,665	28,316,992
Prems. applied to add & reductions, etc. .	2,641,958	1,682,588
Annuity consid.	3,194,310	3,370,737
Less re-assurance ..	7,293,960	8,075,789
Total net prem. inc. .	33,288,110	33,738,322
Int. (divid. & rents)	9,386,455	8,970,285
Prof. on sale of ledger assets	1,168,473	120,103
Total income*	45,516,447	43,835,537

During the past year payments to living policyholders of the company increased over $2,500,000, according to A. N. Mitchell, general manager. The total payment to policyholders was in excess of twenty-three millions.

"There is, of course, among the payments to policyholders one item this year which is much larger than we would like to have it," said Mr. Mitchell. The surrenders, like the loans on policies, were considerably above the normal figure, being an index of the period through which we were passing. At the same time, approximately two and a quarter million dollars were repaid to the company in cash on account of loans previously made."

"It is also worthy of note," stated Mr. Mitchell, "that our Western city mortgage investments make it clear that these communities are ceasing to be dependent upon crop conditions and that their income is being more largely derived from diversified sources such as manufacturing plants and distributing warehouses, and the opening up of natural resources such as oil fields in Alberta and the mines in Manitoba and Saskatchewan. On over seven and a half million dollars of mortgage investments in our Prairie cities, there was less than $4,000 of overdue interest at the end of the year."

The outstanding achievement among the agency forces for the year 1930 cited by Mr. Mitchell was that of the Robinson brothers who qualified as the company's leading personal producers with a total joint production in excess of $2,500,000. Messrs. Robinson have now over 13 million dollars of personal business in force.

The group insurance department of the Canada Life now has policies covering some 73,000 employees for a total of $139,000,000 of insurance. Group insurance claims on 490 employees were paid in 1930 amounting to $938,000 or an average of over $1,900 in each case.

North American Life Takes Big Forward Step

All Agency Standing and Contests to Be Placed on "Settled" Basis For 1931—Received and Issued Business Not to Be Recognized

An important forward step in placing the emphasis for Life insurance in 1931, in the right place, has been taken by the North American Life. This company, in its current agency bulletin announces that all agency standing and contests will be based in future on settled business for 1931. The basis of received and issued business will not be used by this company during the coming year.

Although this involved changes in the basis of competition for the company's monthly honor roll; in the standing for its Nalaco Cup and for its branch assurance account, the company has taken this step because it believes it is a much more accurate and true measure of the value of an individual for agency business. Further, the company wishes to encourage collection of cash in whole or in part on each application and also wishes to make more general use of the binding receipt.

Since credit will be given only when business is settled this should encourage the collection of cash with the application.

The following are some of the changes.

Monthly Bulletin

This bulletin will be changed from a received business to a settled business bulletin. The monthly honor roll for settled business which previously appeared in the Nalaco will be sent out separately in this form as soon as possible after the end of each month.

The settled business honor roll for the month which has appeared in each issue of the Nalaco is being transferred to the bulletin as mentioned above.

The honor roll of settled business for the year to date will continue to appear month by month as before.

Nalaco Cup

The Nalaco Cup in the past has been awarded to the office which showed the greatest increase of assurance in force during the year. Group and wholesale insurance and net transfers were excluded. From now on it will be awarded to the office which has the greatest increase in its settled assurance account; group and wholesale assurances excluded. In this new account transfers will be included except in the instances where offices are combined or divided.

Branch Assurance Account

This account will be changed from an issued business basis to a settled business basis. Business will not be credited to an office until satisfactory settlement has been received.

The decision to standardize the accounts in this manner was not done without mature consideration. Besides the obvious advantage of having all production records on one basis instead of three—written, issued, and settled it was felt that the settled business basis was a much more accurate and true measure of the value of an individual's or agency's business.

Sometimes also where there has been stress and pressure placed on written and issued business in an inter-branch competition an unduly high not taken rate has resulted.

Confederation Life Sets New Record in 1930

One of the best annual reports for life insurance companies, to be presented so far this year, is that of the Confederation Life Association whose annual meeting was held in Toronto this week. In spite of the fact that life insurance sales generally declined nearly 10 per cent during the year, the company reports business issued and revived slightly in excess of 1929 figures, which was the highest point reached by the company up to that time. Business issued and revived was $67,792,346, as compared with $67,534,166 in 1929. Consideration for annuities was $399,153 as against $303,010 in 1929.

Total business in force at the end of 1930 amounted to $369,026,570, an increase of $31,677,322, which figure includes the business taken over during the year from the Commercial Travellers Mutual Benefit Society. It is interesting to note that in the Canadian field, the company shows an increase in new business of $7,665,640, eight of the nine provinces contributing to such increase. The total insurance in force at the close of 1930 amounted to $369,026,570, an increase for the year of $31,677,322.

Lose Two Important Fields

Total assets at the end of the year stand at $81,936,000, an increase of $7,487,000, while premium income at $20,177,443 is about $500,000 less than a year ago, due largely to the fact that important changes in income tax laws in Great Britain virtually shut off a former substantial source of income, that of single premium business. The company was also forced to withdraw from Mexico during the year, a field in which considerable business had formerly been done.

Payments to policyholders and beneficiaries, in 1930, included $2,688,786 for death claims and $756,457 for matured endowments. The total payments to policyholders during the year amounted to $8,650,908, an increase of $1,098,249. Profits to policyholders, payable in 1931, are on the basis of the scale of profit allotment in 1930.

Having commenced business in 1871, the Confederation Life Association is this year celebrating its diamond jubilee anniversary with an international convention of representatives to be held in Toronto in August next.

Business	1930 $	1929 $
New ins. issued	67,792,346	67,534,166
Consid. for annuities	399,153	303,010
Business in force ..	369,026,570	337,349,248
Income		
Total net inc.	20,177,443	20,661,227
Prems. (less reassurance)		
First year	1,634,232	1,814,097
Renewal	10,669,820	10,017,225
Single	1,658,387	3,130,302
Total (includ. other)	14,405,745	15,287,885
Int. and rents	4,029,839	3,608,285
Assets, Etc.		
Total assets	81,936,094	74,448,673
Policy reserves	70,557,538	63,907,008
Reserves & surplus ..	8,469,999	7,972,317
Policy loans	15,554,306	13,230,164

Sun Life Ontario Division Wrote Big Volume in 1930

Canadian managers of the Sun Life recently held a two-day conference in Toronto. The managers attended a banquet given by the western Ontario division to Arthur B. Woods, vice-president of the company, and marked the end of a period of intensive effort dedicated to Mr. Woods. John A. Tory stated that during the period the western Ontario division had written the largest volume of business in the history of the company and that the division had also written more business during 1930 than had any other division of the company.

W. S. Penny, superintendent of Canadian agencies of the Sun Life stated that general business conditions showed definite signs of an upturn. During 1930, the number of group policies written by the company had been considerably increased while the lapse ratio had been surprisingly low. Lapses in the west had shown a slight increase but in eastern Canada there had been a decrease.

N. B. Commission to Study Workmen's Compensation

Appointment of a commission to investigate the operations of the Workmen's Compensation Act of New Brunswick has just been announced by Premier J. B. M. Baxter. The commission will consist of Justice Grimmer, of the Supreme Court of New Brunswick, and George A. Stone, Moncton.

The commission will have wide scope and its functions have been outlined by the Premier as follows:

1. To enquire into the adequacy of the reserves of the Workmen's Compensation Board to meet the present and future demands of the various classifications.
2. To engage a skilled actuary to consider amendments to the act submitted by the New Brunswick Federation of Labor and to report which of these would entail an increase of rates and to what extent.
3. To report upon the efficiency of the present organization of the board and its departments, with suggestions for any improvements in the administration which, in their judgment, should be made.
4. To report upon the adequacy of the present classification of industries and to suggest any alterations they deem expedient.
5. To report on the best means of preventing accidents and whether there should be any discrimination in favor of employers who adopt and enforce an adequate system for such prevention, or whether the same should be enforced by penalties.
6. Generally to report on any matter they deem advisable to consider and which are cognate to any of those before enumerated.

Educational Congress Convenes in Toronto

The 1931 Educational Congress of the Life Underwriters Association of Canada started in Toronto on January 21 and 22 and the regular monthly meeting of the Toronto Life Underwriters Association was held in conjunction with the series on January 21. W. Stewart Penny, superintendent of Canadian agencies of the Sun Life addressed the monthly meeting on "Facing Facts that Affect the Life Underwriter."

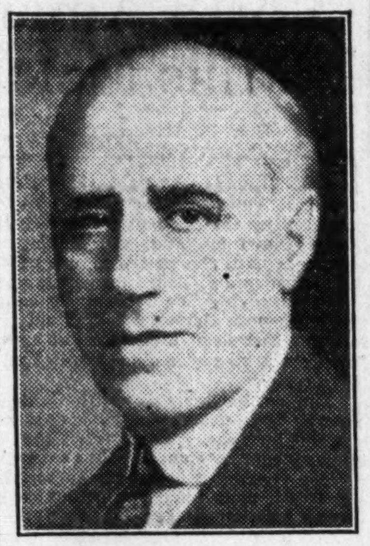
Speakers on the programme of the educational congress included Frank M. See, general agent for the Union Central Life Insurance Co.; Tressler W. Callihan, manager of ordinary agencies, John Hancock Mutual Life Insurance Co.; H. R. Stephenson, general manager, Crown Life Assurance Co. and president of the Canadian Life Insurance Officers Association; Terence Sheard, National Trust Co., L. W. Dunstall; W. J. Irvine, Canada Life and B. E. Johnston, Sun Life.

L. H. File Suggests Actuaries for Benefit Fund Committee

A. D. Watson, actuary of the department of insurance at Ottawa, and H. H. Wolfender, consulting actuary of Toronto, have been suggested by L. H. File as possible members of a committee to rehabilitate the Toronto police benefit fund. Mr. File, associate actuary of the Canada Life Assurance Co. has found it impossible to act on the committee.

The board of control has asked the city treasurer and auditor to report on the qualifications of the proposed members.

Joins Confederation Life



P. A. THOMSON, vice-president of Nesbitt, Thomson & Co., Ltd., who has recently been added to the board of the Confederation Life Association.

MANUFACTURERS REPORTS ASSETS OF $109,000,000

1930 Statement Tops Hundred Thousand Mark For First Time

New business issued by the Manufacturers Life in 1930 amounted to $82,057,000 as compared with $93,396,730 in 1929, according to the company's annual statement last week. This represents a decline of approximately 12 per cent and according to J. B. McKechnie, general manager of the company, is due largely to a decline in reinsurance business, the 1930 business issued by the company's own agents having declined only 7 per cent from the 1929 level.

Insurance in force increased during the year by $25,503,549, which compares with a similar increase in 1929 of $51,157,000. The company had in force as at the end of 1929, $529,984,000 of insurance.

Assets for the first time in the company's history topped the $100,000,000 mark, ledger assets taken at their book value standing at $102,535,371, and total assets, including interest due and accrued, and net outstanding and deferred premiums, being $109,027,467.

Earned Over 6 Per Cent

Total income for the year was slightly lower than in 1929 due to a drop of $1,100,000 in net premium income. Interest and dividends brought in a slightly higher return than a year ago. The company earned in excess of 6 per cent on its investments in 1930 according to W. G. Gooderham, president of the company.

In addressing the annual meeting Mr. Gooderham drew attention to what he considers a flaw in the present Dominion Insurance Act regarding the filing of life insurance statements. He believes that bonds and debentures redeemable at a fixed date and having proper safeguards, should be taken at their amortized value. His suggestion is as follows:

"The Dominion insurance act requires life companies operating under a Dominion license to file the statement of their assets on a market value basis and as indicated in the report adequate provision has been made in the balance sheet for the low market value of securities which existed at the end of the year. I would like to take this opportunity to say that there does not seem to be any good reason, however, why bonds and debentures redeemable at a fixed date should not with proper safe-guards be taken at their amortized value and an amendment to the insurance act authorizing the use of such values is in our opinion desirable."

In common with other life companies the Manufacturers Life reports a substantial increase in policy loans the amount loaned as at December 31, 1930, being $19,421,068 as compared with $16,092,136 at the end of the preceding year. The company reports, however, that the amounts received in repayment of such loans greatly exceeds those for 1929.

The following table summarizes leading items from the company's annual report and shows comparative figures for 1929:

Business	1930 $	1929 $
Net ins. issued	82,057,914	93,396,730
Ins. in force	529,984,752	504,481,203
Income		
Total income	27,366,034	28,064,221
Net prem. inc.	20,820,392	21,978,599
Int. and divid.	5,229,842	5,164,091
Assets, Etc.		
Ledger assets (book value)	102,535,371	93,746,416
Policy reserves	91,950,506	83,811,319
Other reserves*	11,682,600	11,199,000
Policy loans	19,421,068	16,092,136

*Including surplus.

Commenting on the company's business during 1930, J. B. McKechnie said in part:

Death Claims Higher

"During the year death claims were reported to the company on the lives of 1,234 of our policyholders, as compared with 1,232 during the previous year. The average sum insured on the 1930 claims was higher than the average of the 1929 claims, with the result that the mortality rate was a little higher in 1930 than in the year before.

"The question has been raised as to whether the suicide rate had increased during 1930. Our experience was that this rate did increase to some extent during the year, but not sufficiently to differentiate the year 1930 from any other, except that an examination of our death claims over the last five years discloses a substantial increase in the suicide rate over this period.

"The death rate from accident was somewhat lower than in the previous year and during the last five years has shown no tendency to increase.

55,000 Disability Policies

"In addition to issuing policies of life insurance, the company for some years has issued policies which include a total disability benefit, which provides for a waiver of premiums, and, in some cases, a monthly income to the totally disabled policyholder. This business has grown substantially, until now the total disability benefit is carried on over 55,000 of our policies and a reserve of almost $1,000,000 is carried in our liabilities to provide for future disability claims.

A double indemnity benefit is also issued by the company, which provides that double the face value of the policy will be paid under certain conditions if death occurs from accident. At the close of the year this benefit was carried in connection with policies totalling almost $100,000,000.

Dividend Period Changes

"Twenty years ago, 72 per cent of the insurance in force in the company was on the so called 'deferred dividend' plan, the deferred period being usually 20 years. To-day less than 5 per cent of our total insurance is on this plan. Insurance in force in the company on the 'five year distribution' plan 20 years ago amounted to 17 per cent; today it forms 57 per cent. Twenty years ago we carried no insurance with 'annual distribution'; today this forms 28 per cent. Non-participating insurance has remained practically stationary during the period at 11 per cent.

"That the percentage for the five year distribution plan will decrease and that for annual distribution will increase is evidenced by the fact that during 1930 the five year distribution plan formed only 24 per cent of our new insurance as against 62 per cent on the annual distribution plan.

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
BRITISH EMPIRE ASSURANCE COMPANY
HEAD OFFICE TORONTO

Insurance Inklings

BASIL A. TWISS has been appointed Toronto manager for the Dominion Life Assurance Co. Formerly located on the Pacific coast, Mr. Twiss more recently opened up Dominion Life offices in Michigan.

JOHN T. GIFFORD has been appointed agency promotion manager for the Dominion Life.

The NATIONAL LIFE is sending a special magazine to each of its policyholders with the holding of the annual meeting of the company on January 21 in place of the annual report which has been sent out in the past. The issue will include a description of the company and its activities during 1930; matter on conservation and a page of health hints.

MURDOCH FERGUSON, formerly of the Dominion Life, has been appointed manager of a new Toronto branch of the National Life.

C. N. MACDONALD, formerly manager of the Travelers at Winnipeg has been appointed manager of the company's Toronto branch.

M. J. GILLESPIE has succeeded his father, F. J. Gillespie as provincial manager for British Columbia for the Excelsior Life. F. J. GILLESPIE, retired on January 1, after some 25 years with the company starting back in 1904 when he opened up Excelsior Life agency development in the province.

T. O. COX has assumed the position of provincial manager for Ontario for the Excelsior Life after several years of supervising the western Ontario business of the company in addition to the duties of agency auditor.

CENT. CANADA EARNS DIVIDEND BY FAIR MARGIN

Loan Company Reports Substantial Increase in Savings Deposits

Central Canada Loan & Savings Co. in the year ended Dec. 31, 1930, earned $392,634, or 15.7 per cent on its capital of $2,500,000, compared with $423,150, or 18.1 per cent in the previous year. Dividend payments of 12 per cent regular and 3 per cent bonus were maintained.

Mortgage investments are increased slightly, from $1,391,022 to $1,403,088. Loans on stocks and bonds are reduced from $2,116,515 to $2,005,659. The company holds no real estate for sale. Investment in government bonds is up from $1,476,795 to $2,347,895. Investment in other bonds and debentures is reduced from $2,203,693 to $2,085,398. Investment in stocks is up from $2,152,296 to $3,203,564. Cash is increased from $603,619 to $807,290.

Debentures held by the public are reduced from $1,877,373 to $1,836,907. On the other hand, deposits have grown materially, from $4,464,307 to $5,395,549. The reserve fund remains the same at $2,100,000, or 84 per cent of the capital.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earned %	Div. Rate
1920 ..	$1,750,000	$206,787	12.1	10+3
1921 ..	1,750,000	199,863	11.4	10
1922 ..	1,750,000	199,177	11.4	10
1923 ..	1,750,000	217,357	12.4	10+2
1924 ..	1,750,000	237,213	13.5	11½+1½
1925 ..	1,750,000	257,481	14.7	12+2
1926 ..	1,750,000	386,478	22.0	12+8
1927 ..	1,750,000	463,809	26.5	12+6
1928 ..	2,500,000	390,687	15.6	12+3
1929 ..	2,500,000	423,150	18.1	12+3
1930 ..	2,500,000	392,634	15.7	12+3

P. H. Dubar is New President of Life Underwriters' Ass'n

The following officers for the year 1931 were elected at the annual meeting of the Life Underwriters' Association of Canada: hon. pres., Robert MacInnes, Dominion Life, Saskatoon; president, Paul H. Dubar, Imperial Life, Quebec; first vice-pres., George H. Dawson, Mutual Life, Hamilton.

Provincial vice-presidents — British Columbia, Col. Lorne Ross, Great West Life; Alberta, J. C. Bass, Dominion Life; Saskatchewan, C. F. Dunfee, Great West Life; Manitoba; I. M. Ritchie, Mutual Life; Ontario, Karl C. Fraser, Canada Life; Quebec, A. J. R. Parkes, Sun Life; New Brunswick, O. J. A. Barter, National Life; Nova Scotia, H. G. Raymond, Canada Life; Prince Edward Island, C. M. Williams, Maritime Life.

BE INDEPENDENT
At a very moderate premium you may secure a MONARCH LIFE assurance policy which will guarantee protection to your dependents and secure your own future.
for particulars write—
The Monarch Life Assurance Company
HEAD OFFICE—WINNIPEG

Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE AUTOMOBILE WINDSTORM
Insurance in force $180,000,000.00
Assets over 2,700,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

ESTABLISHED 1872
SENECA JONES & SON
HOME OFFICE: HAMILTON, ONTARIO
CANADIAN GENERAL AGENTS FOR
Fidelity American Insurance Company
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INQUIRIES FROM WELL-ESTABLISHED AGENCIES INVITED
COAST TO COAST SERVICE

For $200 . . .
Can you equal this?
For $200 invested yearly, a young man can capitalize his youthful vigour and effectively prepare for life's contingencies through the Sun Life Assurance Company of Canada.
3 GREAT BENEFITS
1. NOW—$10,000 Immediate Protection
and
2. IN A FEW YEARS—$10,000 in Paid-up Assurance, earning Dividends.
or
3. AT MIDDLE LIFE—$10,000 in Cash.
He can secure for his dependants immediate protection of $10,000, increased yearly thereafter by accumulating dividends. This $10,000 estate is created instantly by the first payment. The assured thereby obtains maximum protection for his family at minimum cost at a time when protection is the greatest need.
In a few years he may stop paying, take a paid-up policy for $10,000, and thereafter receive regular dividends until his death when the full capital sum of $10,000 is still payable to his dependants.
By middle life (if he has not selected the last-mentioned plan) his policy will mature as an endowment for $10,000, returning to him a sum far in excess of the total premiums paid. This investment settlement comes at a time when personal and family maintenance have become more important than protection.
The above policy, like all Sun Life policies, can on maturity be paid in monthly instalments over a period of years, instead of in a lump sum.
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE MONTREAL
For further particulars, fill in and mail the attached coupon:—
SUN LIFE ASSURANCE COMPANY OF CANADA, Montreal, Canada.
I am interested in your $200 yearly assurance plan. Without obligation on my part, please send me particulars as outlined in your advertisement in .... (Name of paper)
Name (Mr., Mrs. or Miss)........
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THE ONTARIO LOAN AND DEBENTURE CO.
LONDON 59 Years in Business CANADA
Capital, $2,000,000 Reserve Fund, $[illegible]
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages, including building loans. Applications invited.
A. M. SMART, *President.* T. H. MAIN, *Manager.*

THE Western Empire Life Assurance Company
HEAD OFFICE
701 Somerset Building
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Branch Offices:
SASKATOON EDMONTON
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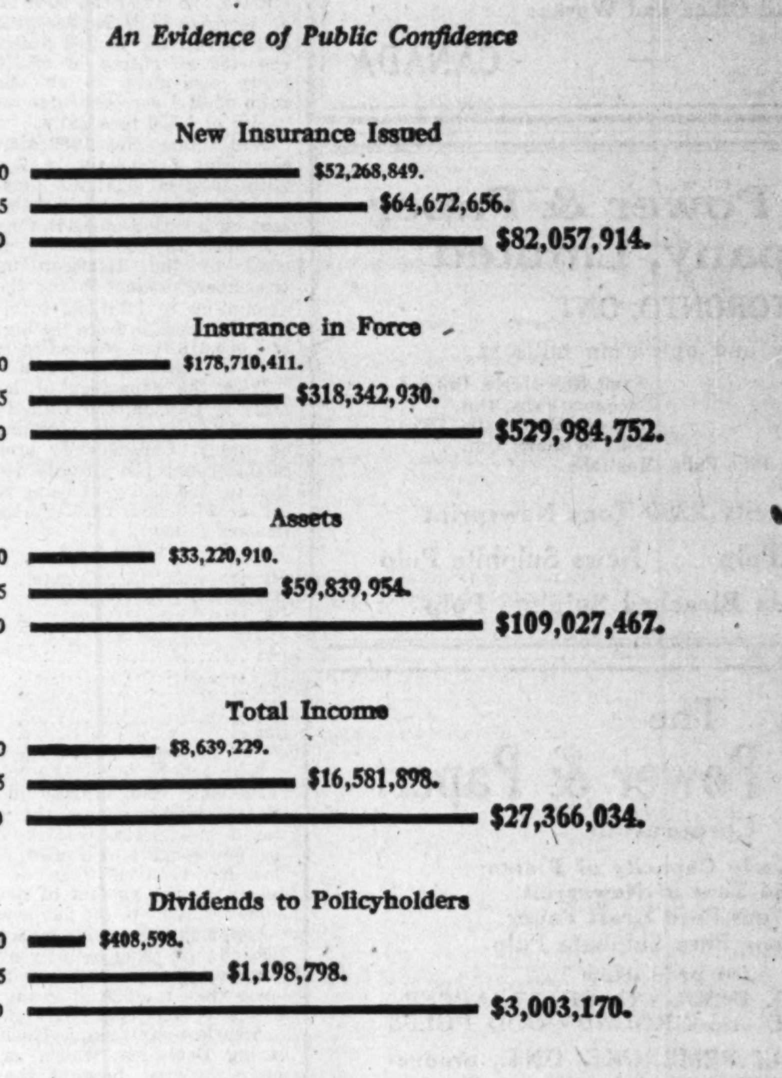
NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,784,342.81
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown



THE MANUFACTURERS LIFE INSURANCE COMPANY
ESTABLISHED 1887
HEAD OFFICE: TORONTO, CANADA

Canadian Pulp and Paper Industry

PAPER IMPORTS BY UNITED STATES SHOW NEW TREND

Canada Supplies Less But Other Countries Add to Shipments

From Our Own Correspondent

MONTREAL. — Considering the fact that the United States is by far the largest market for Canadian newsprint, the needs of that country are of considerable interest, especially in view of the fact that increasing productive capacity in the Dominion makes it necessary to find a bigger market.

At present over 85 per cent of Canada's total newsprint production goes to the United States. In ascertaining whether or not the Canadian producer is getting his share of the American newsprint market, examination of the current import figures of the United States brings to light an interesting and maybe an important trend.

Canadian Imports Lower

During the eleven months ended November, 1930, the United States imported 2,085,624 tons of newsprint. This compared with 2,190,322 tons in the same period of the preceding year. Of the total imports covered by this period last year, Canada supplied 1,825,305 tons, as against 1,984,054 in 1929, a decrease of 158,749 tons. This decline is reflected in the Canadian figures on shipments.

In the balance of imports for the first eleven months last year, as compared with the same period of 1929, it is noted that importations of newsprint from overseas countries amounted to 121,099 tons, a gain of 34,337 tons. At the same time imports from Newfoundland advanced from 119,506 to 139,220 tons, a gain of 19,714.

Thus for the period covered, countries other than Canada increased their exports of newsprint to the United States by 26.2 per cent, while Canada recorded a loss of 8 per cent.

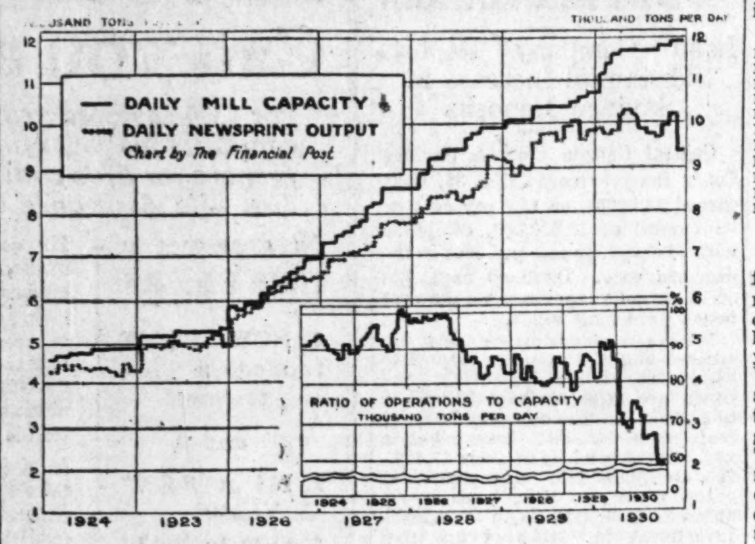
Majority of St. Lawrence Paper Stock Exchanged

From Our Own Correspondent

MONTREAL. — Shareholders of St. Lawrence Paper Mills have received notification that over 95 per cent of the common shares of this company have been exchanged for the common stock of St. Lawrence Corp. Further, the shareholders' letter says that trading in St. Lawrence Paper has practically ceased and application has been made to the Montreal and Toronto Exchanges to withdraw that stock listing.

Brompton common shareholders have also been notified that the same step has been taken regarding that stock, as over 98 per cent of Brompton common has been exchanged for class "A" preferred of St. Lawrence Corp.

Newsprint Operations Dip to Lowest Level on Record



A comprehensive picture of the situation in Canada's newsprint industry is disclosed by this chart covering production, rating and percentage of operations. It will be noted that installed capacity has steadily moved forward, that demand has weakened, while operations in December last were at less than 60 per cent of capacity.

Canadian Newsprint Makers Conclude Year With Operations Lower

Newsprint Capacity Achieves New Mark

From Our Own Correspondent

MONTREAL. — Canada's newsprint mills finished 1930 with an installed rated capacity of 11,940 tons daily—the largest on record and larger than that ever recorded by any other country. During the year there was a gain of 832 tons daily.

In view of the fact that installations have outstripped demand, survey of new additions over the last seven years brings to light some interesting figures. During this period the rated capacity of Canadian mills increased 4,645 tons daily. In 1924 and 1925 there was an average annual gain of about 215 tons. In 1926, 1927 and 1928, installations totalled over 1,000 tons daily each year, the high mark being reached in 1928 with 1,405 tons. There was a drop in 1929 to 730 tons, but an increase for the year just passed.

Mills Operated at Less Than 60 Per Cent of Capacity

From Our Own Correspondent

MONTREAL. — Canadian newsprint companies concluded the past year with operations in December, compared with rated capacity, at the lowest point of any month in the history of the industry.

Actual tonnage produced by Canadian operators last month was 184,755 tons, the equivalent of 59.5 per cent of the total rating of 11,940 tons daily. This is the smallest production since July, 1928, while the ratio of operations establishes a low record.

For the full year 1930, production of newsprint in Canada amounted to 2,499,631 tons. On a daily rated capacity of 11,626 tons, this is equivalent to an operating ratio of 69.3 per cent. During the preceding year, Canadian plants produced 2,728,827 tons, representing an operating ratio of 85.5 per cent to an installed capacity of 10,326 tons daily.

Volume Was Good

In respect to volume, operations for the past year must be considered as satisfactory, production being the second largest ever recorded by the industry for any one year. The decline from the high point of 1929 is relatively small in comparison with that reported by other industries.

The trend of production in Canada is well illustrated by the following comparison:

Canada

	Tons
1930	2,499,631
1929	2,728,872
1928	2,381,102
1927	2,086,949
1926	1,881,737
1925	1,522,217
1924	1,352,994
1923	1,266,232
1922	1,081,916
1921	808,066
1920	875,170

American Mills Gain

Contrary to the general trend in Canada, the American mills recorded an increase in December production and operations. United States firms reported an output of 99,276 tons, being equivalent to an operating ratio of 68.8 per cent on a rated capacity of 5,550 tons daily.

Full returns for 1930 show that newsprint production in American mills totalled 1,281,502 tons. This made for an operating ratio of 76 per cent on a rating of 5,441 tons daily.

Despite the satisfactory showing made by the American mills in December, production for the year, amounting to 1,281,502 tons, shows a further decline from the high point of 1,684,218 tons reached in 1926.

Trend Turns Down

With the expansion of low cost mills in Canada, the United States turned to Canada as its main source of supply. Consequently production in that country is steadily declining, that for the past year being the lowest recorded since 1921. Further particulars follow:

United States

	Tons
1930	1,281,502
1929	1,392,276
1928	1,414,952
1927	1,485,495
1926	1,666,695
1925	1,530,318
1924	1,470,581
1923	1,485,000
1922	1,474,688
1921	1,226,189
1920	1,511,968

Demand Eases Up

With the decline in the volume of advertising lineage carried in American periodicals during the year, it was to be expected that the demand for newsprint would also fall off. This has been the case, as is evidenced by the amount of newsprint made available to the publishers.

Last month Canadian mills shipped 188,845 tons, bringing the year's total to 2,490,163 tons. Although this was lower than in 1929, it is the second largest volume ever recorded.

American mills shipped 99,062 tons during December, which, as previously reported, brought the year's total to 1,267,195 tons. As in the case of production, this is a lower figure than that recorded for many years past.

Canada Meets Demand

Combining the figures for the Canadian and American mills, a survey prepared by the Newsprint Service Bureau shows that total shipments for 1930 amounted to 3,757,358 tons. This compares with 4,131,620 tons in 1929 and 3,798,455 tons in 1928. The trend of shipments since 1920 follows:

Shipments

	Canada	U.S.	Total
1930	2,490,163	1,267,195	3,757,358
1929	2,722,381	1,409,239	4,131,620
1928	2,399,030	1,399,425	3,798,455
1927	2,062,749	1,474,521	3,537,270
1926	1,878,746	1,684,790	3,563,536
1925	1,525,150	1,534,345	3,059,495
1924	1,344,757	1,480,819	2,825,576
1923	1,257,521	1,477,332	2,734,853
1922	1,087,572	1,452,414	2,539,986
1921	803,162	1,226,064	2,029,226
1920	870,759	1,502,574	2,373,333

It is interesting to note that the volume of mill stocks on hand in Canada and the United States at the end of 1930 was larger than that reported for any similar date in the last decade. Stocks totalled 58,838 tons, of which 36,777 tons were credited to Canada and 32,061 tons to the United States. At the end of the previous year, 1929, aggregate stocks on hand totalled 43,969. Details of stock on hand at the end of each year in the last decade follow:

	Canada	U.S.	Total
1930	36,777	32,061	68,838
1929	24,946	19,023	43,969
1928	19,139	34,469	53,608
1927	38,117	20,877	58,994
1926	14,345	12,030	26,375
1925	18,414	16,238	34,652
1924	21,954	23,757	45,711
1923	15,123	23,669	38,792
1922	7,573	19,208	26,781
1921	13,896	23,934	37,830
1920	11,117	24,763	35,880

Expect Low Earnings

The fact that stands out clearly from the Newsprint Service Bureau's report for December and the year's operations, is that Canadian mills have had a particularly unsuccessful year from the standpoint of earnings. While the volume of production is satisfactory, it should be noted that the installed capacity is considerably greater than at any time in the past. This means that the capital investment is much greater, but that the earnings available for interest and dividend on such capital was less than in the preceding year.

From preliminary indications it would appear that January operations will be on a scale comparable to those reported for December. It is not expected that much improvement will take place in the demand for newsprint until there is a definite upturn in the volume of advertising lineage, which is not expected to take place for several months. No material improvement, therefore, can be expected until the fall months, when new advertising schedules are put into effect.

Exports of Newsprint Off During Past Year

From Our Own Correspondent

MONTREAL.—It is now apparent from exports of newsprint for the first eleven months, that shipments for 1930 will fall somewhat short of those recorded in 1929. Between January and November 1929, Canadian mills exported to overseas countries 286,405 tons, as compared with 309,515 tons in the same period of the preceding year. Decreases were recorded in exports to the United Kingdom, Australia, New Zealand, while increases were noted in shipments to Cuba, Jamaica, Argentina, South Africa and other countries. The Argentine reported the largest increase, exports for 1930 being nearly double those reported in 1929.

Shipments of Canadian newsprint into the United States in the first eleven months of 1930 totalled 1,819,111 tons. This compares with 1,980,948 tons in the corresponding period of 1929.

North American Paper Mills Maintain Volume

From Our Own Correspondent

MONTREAL.—For the third time on record, production of newsprint in North America passed the 4,000,000-ton mark. According to a report prepared by the Newsprint Service Bureau, production in Canada, United States, Newfoundland, and Mexico totalled 4,082,678 tons in 1930. This compares with the record figure of 4,395,283 tons in 1929. In comparison with other years, 1930 showed an increase.

In surveying the returns by countries for the past year, it is interesting to note that Newfoundland is the only country in North America to show increased production of newsprint. The United States continues to report a steady decline, while that of Mexico has shown little tendency to increase.

The set-back received by Canada in 1930 was the first since 1921. Though the outlook for 1931 does not hold out much hope for any substantial increase, it is expected that over a period of years the production of newsprint in Canada will continue to increase.

The changes which have taken place in the production of newsprint in the four North American countries in recent years are shown in the following tabular matter:

	Canada	United States	Newfoundland	Mexico	Total
1930	2,499,631	1,281,502	287,259	14,286	4,082,678
1929	2,728,827	1,392,276	255,500	18,680	4,395,283
1928	2,381,102	1,417,572	230,745	16,981	4,046,400
1927	2,086,949	1,485,495	202,852	14,137	3,789,433
1926	1,881,737	1,684,218	186,471	13,412	3,765,838
1925	1,522,217	1,530,318	96,588	12,681	3,161,804
1924	1,352,994	1,481,425	64,648	11,500	2,910,567
1923	1,266,232	1,485,000	64,906	12,000	2,827,138

Paper Industry Grows Rapidly In Past Decade

From Our Own Correspondent

MONTREAL — Between 1920 and 1930 Canada's newsprint industry recorded a greater growth than any other single manufacturing activity in the Dominion. Substantiation of this statement is seen in figures compiled by the Canadian Pulp and Paper Association. From less than one million tons in 1920, production of newsprint increased to over 2,700,000 tons in 1929; the 1930 total being a few tons short of 2,500,000. With the exception of 1921 and 1930 there was an annual increase in production of newsprint in this period. The two years which were the exceptions were both years of business depression.

The bulk of the newsprint produced in Canada is exported and most of it is shipped to the United States, but considerable quantities are exported to overseas countries, and these have grown very largely since 1920. Between 1920 and 1930 exports to the United States increased from 669,996 tons to approximately 2,000,000 tons. At the same time, shipments to other countries advanced from 91,594 tons in 1920 to approximately 300,000 tons last year.

Fivefold Growth Noted

At the beginning of 1920, the Canadian Pulp and Paper Association points out that Canadian mills had a rated daily capacity of 2,630 tons. Each year that followed saw additions to this capacity. It is notable that the record of machines installed in 1920 show that 55 tons was the highest rated daily capacity of any one machine at that time. At the present time, Canadian mills have a daily rated capacity of 12,105 tons, a number of the mills having individual machines capable of producing 125 tons daily, while one has a daily capacity of 175 tons.

This outstanding growth naturally has been accompaniel by a corresponding increase in capital invested. With the exception of the water power industry, probably more capital is invested in pulp and paper activities than in any other single manufacturing group.

Great Lakes Paper Machine Sets Record

From Our Own Correspondent

MONTREAL.—A new record has been made at the plant of the Great Lakes Paper Co. at West Fort William—327½ tons of newsprint being turned out by the paper machines of the mill in a 24-hour period. This total is 9½ tons greater than the previous record. The product is standard 32 pound paper.

Two machines, said to be the largest in the world, are installed at the Fort William plant.

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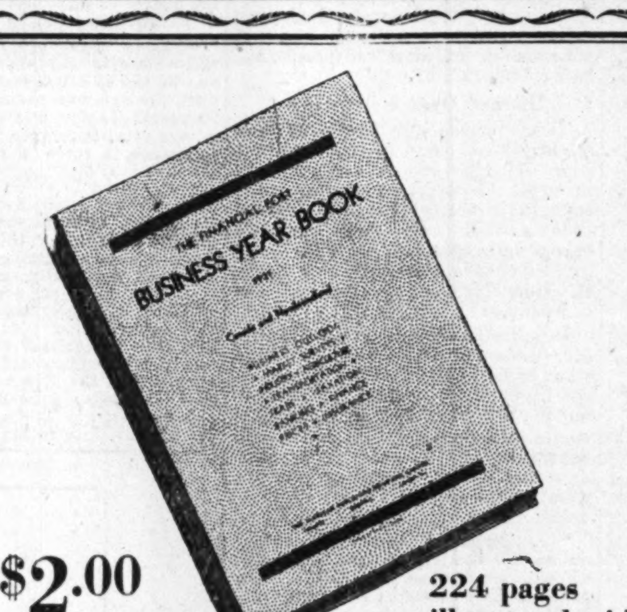

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Table of Contents

I. CANADA'S ECONOMIC POSITION.23-27
Map of Canadian Trade Treaties.....24-25
Trade Treaties Analysed 27
II. BRANCH PLANTS IN CANADA..29-32
III. CANADA'S PURCHASING POWER 33
IV. CAPITAL INVESTMENTS, 1930..35-40
Capital Investment in Canada, 1930.. 35
Foreign Investment in Canada, 1930. 35
Canadian Investments Abroad, 1930.. 37
Canadian Capital Borrowings, 1930... 39
National Wealth of Canada 39
Canada's Balance of International Payments, 1930 40
V. MARKET SURVEY OF CANADA, 1930 41-64
Canadian Market Data 41
The Maritime Market 42
The Quebec Market 44
The Ontario Market 47
The Prairie Province Market 49
The British Columbia Market 53
Retail Outlets in Canada 55
Market Data of 80 Leading Cities....56-59
Chain Store Survey 61
Employment 63
Carloadings 64
Commercial Failures 64
VI. MANUFACTURING 65-114
Miscellaneous Industries 67
Lumbering Industries 69
Timber Resources of Canada 73
Pulp and Paper Industry 75
Sugar Refining Industry 80
Coffee, Tea and Spice Industry..... 81
Brewing Industry 83
Wine Industry 83
Distilled Liquor Industry 85
Slaughtering and Packing Industry.. 86
Canning and Preserving Industry.... 89
Flour Milling Industry 91
Biscuit and Confectionery Industry.. 93
Bread and Baking Industry 95
Tobacco Industry 96
Iron and Steel Industries 97
Non-Metallic Metal Industries 101
Chemical Industries 103
Automobile Industry 105
Leather Industries 109
Boot and Shoe Industry 111
Rubber Industry 112
Printing and Publishing Industries... 113
Textile Industries 114
VII. MINING 119-122
VIII. AGRICULTURE 123-136
Gross Agricultural Revenue 123
Sources of Agricultural Revenue..... 124
Yield and Value of Field Crops..... 125
Wheat—Canada and World Outlook.. 127
Livestock Raising 130
Dairying 131
Fruit Growing 132
Tobacco Growing 132
Poultry Raising 133
Maple Syrup and Sugar 133
IX. FISHERIES 135
X. FUR FARMING AND TRAPPING.. 136
XI. WATER POWER AND ELECTRIC OUTPUT 137-141
XII. BUILDING AND CONSTRUCTION 143-145
XIII. INSURANCE, TRUST AND LOAN COMPANIES 147-163
Life Insurance 147
Fraternal Insurance 153
Fire Insurance 155
Business of Provincial Licenses 159
Casualty Insurance 160
Trust and Loan Companies 161
XIV. BANKING 165-168
XV. PUBLIC FINANCE AND TAXATION 169-179
Federal Debt and Balance Sheet 169
Provincial Financial Statements ..... 17[illegible]
Federal Sales Tax 171
Income Tax 175-179
XVI. SUCCESSION DUTIES 179-181
Provincial Duty Rates ..... 18[illegible]
XVII. CORPORATION TAXATION.183-18[illegible]
Provincial Taxation Rates 184
XVIII. TRANSPORTATION AND COMMUNICATION 187-191
Steam Railway Statistics 188
Shipping Statistics 189
Telegraph Statistics 190
Telephone Statistics 190
Canal Traffic 191
Electric Railways Statistics 191
XIX. NEWFOUNDLAND 193-199
General Business Review 193
Mining 194
Pulp and Paper 195
Population, Education, etc. 195
Foreign Trade 197
Finances and Public Debt 198
XX. PRICES AND PRICE INDICES.201-205
1930 Price Trend in Canada and World Countries 201
Wholesale Commodity Prices and Indices 202
Retail Prices and Cost of Living..... 205
XXI. CANADA'S FOREIGN TRADE.207-213
Leading Exports and Imports 208
Trade With United Kingdom 210
British Empire Trade 209
Trade With Foreign Countries 211
Trade With United States 213
XXII. SECURITY PRICES AND FINANCING 215-219
Compilation and Use of Security Price Indices 215
Index Numbers of Stock Prices 217
Canadian Bond Record 219
Canadian Dividend Record 219
XXIII. TOURIST TRADE 220
XXIV. POPULATION AND IMMIGRATION 221-224
Population of Leading Cities and Towns 222
Immigration 224

A new working tool has just been made available for alert executives in Canada in the shape of The Financial Post Business Year Book, 1931, published last week.

All figures in this analysis and record of Canadian business data are the latest obtainable December, 1930.

Any executive who has once had this book in his desk will never be without it again.

The 1931 Business Year Book is larger than any of its six predecessors due to the enlargement and revision of practically every chapter. New features include:

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Eight pages of new market survey data, in addition to the nine pages published last year, including detailed population maps for each economic area.

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A survey of commodity prices in Canada for 1930 as compared with other world countries.

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SELF-STYLED OLDEST BOND HOUSE IN CANADA CHIEFS FACE CHARGES

(Continued from page

terest" rather than dividends on the shares. In the second place, the circular offering the issue stated that the capitalization of the building on completion would consist of the preferred and common stock when in fact there was at that time a construction loan on first mortgage, registered against the property for $850,000 and it was quite obvious that the proceeds of the preferred stock issue would not be sufficient to complete the building and pay off this loan. No reference to the loan was made in the circular. Throughout the whole of the financing of Commerce and Transportation Building there has been a tendency on the part of the Stimson firm either to fail to mention this loan or to leave the impression that it was to be immediately paid off. Many investors bought securities in Commerce and Transportation Building without ever knowing that they had, at best, a second charge against the assets and earnings. When this issue was being offered and The Financial Post was warning investors of the presence of the mortgage on the property, advertisements were published in Toronto newspapers stating that rumors concerning a mortgage on the building were unfounded and that on completion of the financing no such mortgage would be in existence.

Enlarge Capitalization

But even the proceeds of the $850,000 mortgage and of the sale of the $1,850,000 of preferred stock were insufficient, for in 1928 a new company was formed under Dominion charter, but with a capital of $3,000,000 of preferred stock and 100,000 shares of common stock. The old stockholders were offered an exchange of shares and were also asked to buy more preferred stock. The letter that went to shareholders was a most amazing document. These were the same shareholders who had been tacitly informed by the company's literature, by the advertisement published in Toronto papers and by the representations of the salesmen, that on completion of the sale of the first preferred stock issue that they would own the building outright. Yet the Stimson company in 1928 wrote them a letter stating that as it was the expressed desire of the preferred stockholders that they should own the building outright free and clear of all debt, that a new issue of preferred stock was being offered to provide the money for this purpose. This letter shocked many of the investors who up to that time had never been aware of the existence of the first mortgage.

"No Bonds, No Mortgages"

But if the letter was a surprising bit of financial literature what can be said of the circular that offered the 7 per cent preferred stock of the new $3,000,000 Dominion Company? Headed in the boldest type "NO BONDS, NO MORTGAGES" the circular also stated that on completion of this financing the company would own the Commerce and Transportation Building free and clear of all debt and would have $100,000 cash in the bank.

In offering shares in the new company with its greatly enlarged capitalization, it was necessary to justify the $3,000,000 issue and this was done by the simple expedient of writing up the value of the land.

Land Value Written Up

This land was bought by Henry L. Bowles in 1917 at $295,000. It was bought by F. Graham Johnston in 1927 at $500,000 which, in view of the completion of the Union Station, and the initiation of other projects in the neighborhood, may have been a fair price. But what Johnston paid $500,000 for in 1927 was given a valuation in that year in the circular of the first company of $857,000, $941,050 and $993,500, the figures of three different valuations being published. And one year later, when the $3,000,000 capitalization was announced, the land was stated to have a value of $1,239,400. The 1927 valuation of $941,050 and the 1928 valuation of $1,239,400 were both accredited to Robins, Ltd., Toronto.

While the Commerce and Transportation Building was completed and became a useful addition to the downtown office structures of Toronto the mortgage was never paid off and is now in default. Action has been taken by the Brooklyn gentlemen who held it, to protect their interests and this action has revealed that the mortgage was made at the rate of 12½ per cent interest. It was in fact little more than a construction loan, and construction loans should always be paid off within thirty days of the completion of a building. This one, however, has remained on the building as a charge prior to the interest of the preferred stockholders and unknown to most of them.

Where Do Investors Stand?

The present position of the original preferred stockholders in Commerce and Transportation Building is difficult to determine and varies between shareholder and shareholder. Some of them probably still own stock in the original or Ontario company, and some in the Dominion company. Some own stock in a later company, called Stimson's Canadian Development Corporation, in which they were asked to invest by exchanging their shares. And others own stock in a still further holding company, known as Stimson's Building and Investment Corporation. And on the margins of this financial complexity is still another mysterious company known as C. and T. Buildings Limited, which, like all the others, was to acquire control of Commerce and Transportation Building, but whether or not it ever came into actual existence and operation is not discernible at the moment.

Appear in Vancouver

The record of the next Stimson venture will also indicate how the Stimson Canadian Development Corporation came into existence. The company in 1926 had essayed to tap the rich Vancouver investment market and had promoted a building in Vancouver known as the Merchants Exchange Building, which appears not to have become seriously involved in the other enterprises and direct investors in which may stand to fare better than investors in some of the other enterprises.

But a small structure like the Merchants' Exchange Building was a minor thing for an expanding young house like G. A. Stimson and Company and the Canadian Pacific Coast's first post-war skyscraper—the Marine Building—was promoted. It was apparently started on little more than a shoe string. A site was purchased for $250,000, but the first payment on the property was only $5,000, later increased to $50,000, and the records may finally reveal that some part of the purchase price still remains as a liability. The Stimson firm formed the Stimson Canadian Development Corporation to develop the Marine Building project and it started the new firm off with $100,100 of capital by buying 100,100 shares of its common stock at $1 a share. Where the $100,100 came from is another of the mysteries that the auditors may finally discover—whether from the treasury of G. A. Stimson and Company, from the pockets of the partners or from the treasury of some of the other Stimson promotions.

Offer Three Securities

Anyway the Marine Building was started with $100,100 of capital, a small payment was made on the land and salesmen all over Canada, armed with colorful circulars and backed up by extensive advertising, (including color pages in a paper known as "The Beaver—Canada First," which claimed to be the organ of the Native Sons of Canada, but which seemed to have a close connection with the Stimson firm) proceeded to sell securities of the new company. They offered two types of debentures and common stock in addition.

First of all, the inevitable offer of exchange was made and shareholders of Commerce and Transportation Building were given the opportunity of turning in their shares and accepting in exchange securities in the new company. These exchange offers, of course, had the merit, from the Stimson viewpoint, of introducing the old shareholders to a new company and thus paving the way for inducing them to buy more and more stock. There was always something fresh on the Stimson counters. And so long as each company formed was in turn swallowed up by a larger company there was little danger of money running so short that interest and dividends could not be paid.

Marine Building in Trouble

But Stimson's Canadian development Corporation which was selling debentures and stock in 1929 was not much of a success and the amount of securities sold was disproportionately small in comparison with the expenses involved. Enough money was raised to put up the framework of the Marine Building.

The stock market crash of November, 1929, brought difficulties. Stock purchases dried up at once and the Marine Building, partially completed, was left high and dry with no money coming in. The working force of 300 men was reduced to 20 and the position of investors was desperate, although it is quite clear that this fact was not known to very many of them.

Money had to be raised somewhere. The contractors of the building were the Starrett Construction Company, of New York, who, in turn, were associated with the Starrett Investing Company. The Starrett Investing Company agreed to put up the amount that it was estimated was required to complete the structure. They agreed, in short, to put up $720,000 in cash and to accept $800,000 of first mortgage bonds on the building. So still another company was formed called Stimsons Office Buildings Limited. The entire capital stock of this company was given to the Stimsons Canadian Development Corporation. It issued $800,000 of first mortgage bonds, Starrett took them up for cash as needed and work went ahead. Still it was found that more money was needed. Starrett agreed to advance more money. Incidentally, this was just about the time that the desperate effort was made by Stimson's to sell their University Avenue holdings to the City of Toronto. According to information supplied to The Financial Post last summer by a Stimson official, the further advances by Starrett's were secured by guarantees of the G. A. Stimson Company, by assignments of book debts, by deposit of such collateral as they had left, etc. Anyway an additional sum, running close to $500,000 was raised and the Marine Building was completed. It is probable that few of the investors in the Marine Building had any idea that their only assets were being so generously mortgaged and they might well question what happened to all the money that they put up to build the structure.

Big Bugs Open Building

The Marine Building was formally opened on October 8 last and the ceremony brought out such notables as Hon. R. Randolph Bruce, lieutenant-governor of British Columbia, Mayor W. H. Malkin and others. Mayor Malkin paid warm tribute to the courage of Lieut.-Comm. J. W. Hobbs, resident manager of Stimson's in Vancouver and to G. A. Stimson & Co. in building such a structure. Commander Hobbs in replying declared that his house had planted itself firmly in the West but the newspaper reports of this delightful ceremony do not reveal that anything was said as to the position of the Canadian investors who still remained under the delusion that they owned a well-financed building.

Still Another Reorganization

Last spring Stimson's attempted still another reorganization which would have further altered the position of investors, taken away their voting power and paved the way for more stock selling. A new company was formed, called Stimson Building and Investment Corporation, and the inevitable exchange of stock again appeared, shareholders in the different enterprises being so mystified by now that they could not possibly know where they were at. The new company was apparently able to sell some securities, which were in turn invested in the debentures of Stimson's Canadian Development Co.

A few months ago interest and dividend payments strained the Stimson finances to the breaking point and shareholders of various companies were asked to accept six months notes payable on maturity with a premium of ten per cent in lieu of what was due to them. Other investors were offered the "opportunity" of buying these notes. Apparently this failed to bring in much cash and, although the firm did not remove from its advertising signs the declaration that for over 45 years every security issued by the house had met principal and interest when due, it was in default on various of its issues.

Dominion Timbers Deal

A few weeks ago a certain transaction took place in regard to Dominion Timbers. This company, as was previously mentioned, was financed through Toronto Bond Exchange making advances for which it took preferred stock. Not long ago the company's large stock of timber in Toronto was sold for cash at a low figure and immediately part of the preferred stock was redeemed, this having the effect of converting the lumber pile, which was the property of Dominion Timbers, into cash in the treasury of Toronto Bond Exchange. What happened to the money then is not known.

About this time work was resumed on Grand Central Market, Toronto.

One Final Fling

A few days before the collapse of the Stimson firm, circulars had gone out to shareholders offering them a still further issue of new notes, bearing the stamp of a last desperate effort to keep the sheriff from the door.

These new notes with ten months only to run were offered to yield the investor 12 per cent. But there was a catch. At the end of the ten months buyers were not to receive cash but rather a seven per cent ten-year first charge debenture. For each $100 now invested they were to receive $110 of debentures on November 1 next.

Investors could also buy the debentures themselves at par.

Both notes and debentures were offered by Stimson's Buildings and Investment Co.

The recent actions nipped this financing in the bud.

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The Bank of Toronto Holds Seventy-fifth Annual Meeting

The Addresses of Mr. W. G. Gooderham, President, and Mr. H. B. Henwood, General Manager, delivered to the Shareholders of the Bank of Toronto at their Annual Meeting, at Head Office, on Wednesday, January 21, are as follows:

Mr. W. G. Gooderham, President:

At the time of our Annual Meeting one year ago, we had just witnessed a rapid and severe decline in prices of stock exchange securities. This decline proved to be the precursor of a sweeping recession in business activity. As the year advanced it became apparent that production had for the time being out-run purchasing power in both domestic and foreign markets. The output of our mills and factories fell off, causing unemployment which further reduced buying at home, and commodity prices, particularly for primary products, dropped to levels not seen for many years.

These conditions are reflected to some extent in banking figures. The total assets of all banks as on the 30th November last show a decline of 10.4 per cent. Profits are also down, but less than might have been expected. Our own decrease in net earnings amounted to $113,000, compared with 1929, which was our peak year for all time.

While the year has been difficult, we have, nevertheless, been able to earn our usual dividend and bonus and to carry forward a comfortable surplus to next year. All known bad debts have been written off and provision made against anything considered doubtful, as well as for the unforeseen and unexpected. Altogether, we have come through the year very well and are in a position to meet the problems of the ensuing year with confidence.

The different items in the balance sheet will be dealt with in more detail by the General Manager.

I need not go into an analysis of the world-wide depression now retarding our progress and clouding our horizon, nor attempt to discuss its causes and probable duration. Generally speaking, however, depressions have their roots in human fallibility, in our tendency to go to extremes, to lose perspective and balance. It is safe to say, therefore, that we will continue to have periods of depression and comparative prosperity, though their intensity may be modified.

The present depression has the Great War as a background. From Armistice Day until the last half of 1929 we had, on this continent, only one severe check. The crisis of 1921, though sharp, was concerned mainly with commodity price deflation. Very soon we were again going full speed ahead, apparently on the theory that we in the western hemisphere can maintain full prosperity while many other countries are struggling with crushing public debts, unemployment, anarchy, socialism, and other troubles which follow a ruinous war. It is evident that there was no logical basis in world conditions for the era of extravagance and speculation which culminated in the fall of 1929. Nor can we hope for a return of real prosperity until the world-wide causes of depression are removed. In particular, there are oppressive international debts which may have to be lifted to an extent that will allow debtor nations to see daylight and to improve their purchasing power.

Our home situation is not bad except for the very low prices for grain. Agriculture is our most important industry, directly supporting more than one-half of our people, while a large section of our urban population is engaged in supplying them with goods and services. Reasonable prosperity for our farmers is vital, and they are not now prosperous. One important factor in this situation is the unfavorable economic position of importing nations in Europe and Asia. A second is the steady increase in world production of wheat during recent years. Our own wheat acreage has more than doubled since 1914, and a similar tendency is observable in other large grain-growing areas such as the Argentine and Australia. The absence of Russia from world markets since before the War, when she exported an average of 160,000,000 bushels a year, allowed our own increase to be noted only as a favorable development, but Russia has again become an important factor.

It is possible that wheat acreages may have to be reduced before prices can substantially improve. This might not be entirely harmful to Canada if it turns our Prairie Provinces into more diversified lines. There are opportunities of filling more of our domestic demands and also of enlarging foreign markets for many of our farm products other than grains. Our West will always be a great wheat country, but wheat prices are so unstable that too great dependence upon it is dangerous. Whatever may be done towards diversified farming, therefore, will help to protect the country as a whole as well as the farmers themselves. The intelligent and industrious "mixed" farmer is not always as prosperous as he would like to be, but he is never down and out.

In the field of agriculture we believe that buying power can be increased tremendously by improved methods of farming, better cultivation, elimination of weeds and the use of fertilizers. If five to ten bushels of wheat can be added to the average yield, and I am sure that this is quite possible, the result is equivalent to a material reduction in cost per bushel. Scrub live-stock is never profitable, but good grades, good housing and feeding will increase the farmer's net revenues. Along these lines we can look for renewed prosperity in the West.

When considering the position of the Prairie Provinces we should be careful not to exaggerate their troubles. Although feeling the strain of low prices, by no means all prairie farmers are in financial difficulties. We have thousands of names on our books whose relations with us are that of depositors and investors rather than that of borrowers. There are indications, too, that the position of western farmers as a class is much better than it was in 1920 when the first post-war deflation overtook the country. Our own advances at western rural branches are substantially lower than they were at that time, and deposits are higher. Distress is confined mainly to those who, in the past, have placed their dependence almost entirely on grain, and who have failed in the good times to build up reserves in cash assets to tide them over a difficult time such as we are now going through.

Apart from grain prices and their effects, Canada has been comparatively fortunate. It is true that in newsprint, base metals and certain other lines there are difficulties arising out of temporary over-production and low prices, but on the whole Canadian producers appear able to compete with the most efficient in other lands. Our hydro-electric plants, gold mines, and other developed resources have helped to maintain Canadian business on a fairly even keel. Aside from money values, which are naturally much decreased, the actual output of goods in 1930 was less than 15 per cent short of the record year of 1929, and was substantially in excess of the average for the five year period immediately following the war.

Looking ahead is particularly difficult at the present time. The signs do not all point in the same direction, and the visibility is bad. But from the fact that business has been depressed for 15 months, and from the knowledge that constructive factors are again at work, we can reasonably hope for better things in the near future. An improvement in demand and higher prices for wheat would help. To the extent also, that we can divert to our own factories the production of goods now imported, our position will be bettered.

There is also the prospect of increased Empire trade, following negotiations which were started at the recent Imperial Conference. This is admittedly a very difficult matter to work out, and on the surface it would seem that little progress has been made, but the idea is so reasonable and so logical from the business angle, as well as appealing to our patriotic sentiments, that we are sure something of real benefit to the Empire and to our own country will result.

Meanwhile we have problems of our own to face. We have now to plan our business at somewhat lower price levels, and to succeed we must cut our costs—a task that may be unpleasant but which is none the less necessary. Average prices have been considerably lower than they are now. We cannot prophesy the future, but sound policy should prepare us for a period of low prices. The problem is one for producers in all branches of industry, including agriculture. It may call for temporary concessions on the part of labor, as well as reduced profits to owners and investors, but there is reason to believe that the necessary adjustment can be worked out without lasting detriment to any class of the community.

It has been noted that retail prices, or the cost of living, have not followed the declines in raw materials to any great degree. This situation is, however, coming into line, and will be reflected in increasing demand.

Our overhead costs may be reduced, for future years at least, if greater economy can be exercised in public affairs. I think it will be generally admitted that public expenditures all along the line have been on a liberal, if not extravagant, scale in recent years, and this on the top of heavy public obligations already outstanding. Urban municipalities are probably the worst offenders, relatively. Our people demand and enjoy the highest standard of living in the world with the possible exception of the United States. This is all very well to the extent that we can afford it, but there is no worse blight upon industry than excessive taxation, and it is possible for even a young and potentially wealthy country like Canada to borrow to excess and to discount a hopeful future too far in advance.

In closing let me again express to you my faith in the future of this country. We are in all essential respects a favored people, and even under present difficulties we are able to see opportunities for future growth. Our people are intelligent, orderly and industrious, our politics not worse than the best and better than most. The long prospect, therefore, now as always, is one upon which we can build in confidence.

Mr. H. B. Henwood, General Manager:

It was my hope in presenting this the 75th Annual Balance Sheet covering the past year's operations, that we might be able to produce the best earning statement in the history of the Bank, but unfortunately Canada has been affected by the business depression which, during the past year, has overtaken practically the entire world, and as a result our earning power has suffered along with all other branches of business.

Profits:

After making full provision for all known or anticipated losses our profits were $1,339,872. From this we have provided for

Shareholders' Dividends	$780,000
Reserve for taxes accrued	160,000
Contributions to Officers' Pension Fund	60,000
Writing down of Bank Premises	200,000

leaving a balance of $139,872 to be carried forward in Profit and Loss, increasing the total in that account to $302,993.

The book value of our Capital Stock is now just over $255 per share.

We have maintained a strong liquid position. Total assets $131,323,278, of which we hold in cash and securities, Call and Short loans, $59,702,044, equivalent to 51.46% of all liabilities to the public, against 45.58% a year ago.

Current Loans and Discounts:

$66,120,188, $11,312,000 less than a year ago, reflecting lower prices and volume of Canadian business during the year. This decreased use of money for commercial purposes explains the increase of $5,742,000 in our holdings of securities which now total $21,825,505, and of which over 93% consists of Government and Municipal Bonds.

Securities:

Next to the selection of good sound risks in the lending of our funds for commercial purposes, the investment of our surplus funds in securities is of the greatest importance. We must of necessity confine our investments to high-grade marketable securities in order that these funds may be quickly available to meet any increased demand for legitimate business purposes, and our experience in this department of our business has been very satisfactory, in fact, the $21,825,505 shown under this heading in our statement is considerably under the present market value of the securities held, so that we are in a good position to provide funds when the commercial demand for money quickens as we pass out of the present period of depression.

Bank Premises:

$3,689,121, an increase during the year of $120,000, owing to the completion of necessary purchases and the opening of 8 new branches during the year. Our premises are valued in our statement at not more than 50% of their cost, and by comparison with similar investment by other Canadian Banks I think our position in this respect can be considered quite favorable.

Notes in Circulation $7,539,424,

against $8,796,048 a year ago, a reduction of $1,256,624. The fluctuation in Bank note circulation from month to month constitutes a very good barometer of general business conditions, and the above figures indicate lower prices and the slackening of business activity throughout the year. Bank notes soon find their way back to us under these conditions.

Deposits $100,723,991:

It is a matter of satisfaction to us that the decline in our deposits of $4,273,000 is no greater than it is, representing as it does 4.06% as against an average decline of 6.96% in all Canadian Banks. This decline has been entirely in our current deposits. We have had a slight increase in our savings deposits during the year, and it is some satisfaction to us to be able to report a further increase in the number of our depositors during 1930. We like to regard this as an evidence of the confidence of the general public in the strong position the Bank has attained over the long period of its service.

General Conditions:

The year through which we have passed has been a difficult one in Canadian banking. The collapse of the stock markets at the end of 1929 was soon followed by a steady deflation in commodity prices, which toward the end of 1930 brought a serious decline in wheat, our chief item of export, and we find ourselves in a period of depression which has seriously reduced purchasing power throughout the world, the end of which is not yet clearly in sight.

Undoubtedly the present world depression has its origin in the difficulty of payment of war obligations by the exchange of commodities and the uneven distribution of gold, the basis on which all payments revolve, because certain countries in their efforts to pay are frustrated through the lack of gold and the tariff barrier against their exportable goods.

It would appear that possibly before we can hope to return to a normal flow of world trade, we may have to bring about a round-table conference representing all the countries of the world in order that their difficulties may be discussed and such steps taken as can be applied to relieve such arteries of trade as have become clogged during the years following the late war.

It is certain that the new world, brought more closely together by the discoveries of science in the rapid communication by long distance telephone and radio transmission between all commercial centres, is today more inter-dependent one country upon another and no national unit of population can continue as a separate, isolated, independent part of the whole.

Insofar as Canada is concerned, when the world moves into a more stable condition, if port facilities, transportation, cheap power, undeveloped natural resources, wide agricultural areas, and, I might add, a sound banking system, mean anything to our future, our return to more prosperous conditions should be rapid; in the meantime, if instead of taking the gloomy view which apparently possesses our great neighbors to the south, we substitute the cheerful, hopeful attitude with hard work and the exercise of a reasonable amount of care and thrift in handling our own affairs, we shall come through our difficulties well fitted to face our better future.

We are today holding our 75th Annual Meeting. Three-quarters of a century is a long time in the history of any institution, and I do not think this occasion should be passed without reference to those fine men who founded the Bank in 1855 and laid down the sound, conservative policies of management, the adherence to which by their successors in office all down through the years, has contributed greatly to such success as we have achieved.

There has been nothing spectacular in the growth of the Bank. We have developed our business without mergers with any other banks, we have contributed to the prosperity of many fine Canadian business enterprises, and at the same time throughout the years we have, by conserving our resources, built a foundation of strength which fairly entitles us, small as we may be by comparison with the larger banks, to consider ourselves among the strong banking institutions of the world.

Empire Trade:

The cause of Empire Trade received further impetus through the Congress of Chambers of Commerce of the Empire held in London during May of last year which sent on for the consideration of the Imperial Conference in October a number of important resolutions. Unfortunately the deliberations of the Imperial Conference did not result in any definite conclusions on the subject, but the adjournment of the Conference to meet in Canada this year gives us reason to believe that some plan may yet develop.

In the meantime the discussions at Ottawa between representatives of the Australian and Canadian Governments indicate that between these Dominions there may be consummated a model trade agreement that will be helpful in forming a broader Empire trade plan.

At this time when world trade is seriously handicapped by protective tariffs coupled with the menace of Russian methods of marketing their products regardless of fair market prices of commodities produced under reasonable standards of living, it seems logical that we should explore the possibilities of our own markets through the development of some plan by which, without serious detriment to the industries of any component part, trade within the Empire can be increased.

Empire Trade, in terms of Empire, is all domestic trade; it is the first essential to our united prosperity, but it cannot be developed without the full co-operation of Great Britain. It will undoubtedly involve changes in their world trade policies but it seems to me the British Empire has reached a stage in its history where it is absolutely necessary for the maintenance of its position that it merge its various interests and take its place as a solid unit in World trade, and if we concentrate our financial resources and our productive power upon the natural resources within the Empire and bring about more intimate relations between its various peoples, we will have done something to remove many of the difficulties and misunderstandings that exist within the Empire today and undoubtedly a united Empire trade arrangement will do much to again place us in the position of strength among the countries of the World that I believe the British Empire is destined to occupy.

In closing I have again to make reference to the continued co-operation and good service rendered by the members of our present staff. We have good reason to be proud of the loyalty and devotion of our staff, and have had many expressions of appreciation during the year for the fine service they render to our large family of clients.

THE BANK OF TORONTO

Seventy-fifth Annual General Report

PROFIT AND LOSS ACCOUNT

The Balance at credit of Profit and Loss, on 30th November, 1929, was		$ 163,120.72
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of		1,339,872.29
		$1,502,993.01
This sum has been appropriated as follows:—		
Dividend No. 194, Three per cent paid 1st March, 1930	$180,000.00	
Dividend No. 195, Three per cent paid 2nd June, 1930	180,000.00	
Dividend No. 196, Three per cent paid 2nd Sept., 1930	180,000.00	
Dividend No. 197, Three per cent payable 1st Dec., 1930	180,000.00	
Bonus of 1% payable 1st Dec., 1930	60,000.00	
		$780,000.00
Tax on Circulation	$ 60,000.00	
Reserve for Accrued Taxes	100,000.00	
Transferred to Officers' Pension Fund	60,000.00	
Written off Bank Premises	200,000.00	
		420,000.00
Carried forward to next year		302,993.01
		$1,502,993.01

GENERAL STATEMENT, *(29th November, 1930)*

LIABILITIES

Notes of the Bank in Circulation		$ 7,539,424.00
Deposits bearing interest, including interest accrued to date of statement	$ 83,809,649.78	
Deposits not bearing interest	16,914,341.72	
		100,723,991.50
Balances due to other Banks in Canada (daily exchanges)	3,300,502.10	
Balances due to Banks and Banking correspondents in the United Kingdom and Foreign Countries	2,037,097.40	
		5,337,599.50
Bills Payable		393,385.31
Quarterly Dividend, payable 1st December, 1930	180,000.00	
Bonus of 1% payable 1st December, 1930	60,000.00	
Dividends Unpaid	758.00	
		240,758.00
Letters of Credit outstanding		1,481,883.56
Liabilities not included in the foregoing		303,243.15
		$116,020,285.02
Capital paid up	$ 6,000,000.00	
Rest	9,000,000.00	
Balance of Profit and Loss Account carried forward	302,993.01	
		15,302,993.01
		$131,323,278.03

ASSETS

Current Gold and Silver coin	$ 404,263.63	
Dominion Notes	11,266,176.00	
Deposit in the Central Gold Reserves	2,380,866.66	
Notes of other Banks	727,400.00	
United States and other foreign currencies	107,675.49	
Cheques on other Banks	6,950,281.52	
Balances due by Banks and banking correspondents elsewhere than in Canada	7,389,550.10	
		$ 29,226,213.40
Dominion and Provincial Government Securities, not exceeding market value	17,525,776.44	
Canadian Municipal Securities and British, foreign and colonial public Securities other than Canadian not exceeding market value	2,792,016.84	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	1,507,712.43	
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks and other securities of a sufficient marketable value to cover	8,650,325.19	
		30,475,830.90
		$ 59,702,044.30
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful Debts	$ 65,939,096.90	
Non Current Loans (estimated loss provided for)	181,091.42	
		66,120,188.32
Deposit with the Minister for the purposes of the Circulation Fund		289,003.17
Mortgages on Real Estate Sold		41,037.27
Liabilities of Customers under Letters of Credit, as per contra		1,481,883.56
Bank Premises, at not more than cost, less amounts written off		3,689,121.41
		$131,323,278.03

W. G. GOODERHAM, *President*　　HARVEY B. HENWOOD, *General Manager.*

TORONTO, *29th November, 1930.*

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto:

We have examined the books and accounts of The Bank of Toronto at its Head Office and have been furnished with certified returns from the Branches, and certify that the above statement of liabilities and assets as at the 29th November, 1930, is in accordance therewith, and in our opinion discloses the true condition of the Bank. We have verified the cash and the securities representing the Bank's investments held at the Head Office at the close of the Bank's fiscal year, and during the year we have counted the cash and examined the securities at certain of the important branches. We have received all the information and explanations we have required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

D. McK. McCLELLAND, *of the firm of Price, Waterhouse & Co.*
A. B. SHEPHERD, *of the firm of Peat, Marwick, Mitchell & Co.*

TORONTO, 18th December, 1930.

Canadian Mining News

MEETING NEAR, ANOTHER FIGHT SEEN IN ABANA

Spearman Rallies Eastern Holders to Battle Connell

CASH IS GREAT NEED

Loan From Mining Corp. Must Be Dealt With if Property is to Be Saved

Directors of Abana Mines met January 16, and decided to issue an annual report and call a meeting of shareholders at the earliest possible date.

The report will be mailed to shareholders within a week's time and the meeting will be held approximately three weeks later. The report, it is said, will give full details as to the company's present financial position and as to the development of the property, it is also understood that the directors will be prepared to give any shareholder at the meeting information that may be required that there may be no misunderstanding as to the company's position.

May Be Stormy Meeting

The Shareholders' Protective Committee, headed by Charles Spearman and R. J. MacDonald, has been active in lining up the shareholders, particularly the French-Canadian shareholders, against the present directorate, and the coming annual meeting promises to be a stormy affair.

In the battle that was staged at the shareholders' meeting in Montreal on May 27, 1929, this same committee allied itself against the then board of directors, headed by F. M. Connell, and was successful in electing a new board with F. A. Kent as president. This group were not mining men and after being in office a year found it was necessary to obtain outside financial assistance to prevent the property reverting to the vendors.

The general state of dissatisfaction with the financial situation prompted the calling of a shareholders' meeting on October 27, last. At this meeting, F. A. Kent and his board of directors amicably settled their differences with the opposing group and invited Mr. Connell to sit on the board, as president. As a result of this action peace again reigned in the ranks of the opposing factions and some steps were undertaken to get the company out of its financial tangle and prepare it for a production programme when the metal market again showed signs of improvement.

The Protective Committee now is opposing the group or at least part of the group it was responsible for electing at the meeting in May, 1929. Abana shareholders have been circularized, being invited to join the committee and to remit $1 to defray the expenses of the organization.

Criticizes Board

It is claimed by the Protective Committee that had it been maintained from the first that there would have been no increase in the capitalization of the company in January, 1930, no financing by means of directors loaning money to the company or mortgaging the company's assets to enable the final payment on the property to be made. In contrast, the committee points out that there might have been a concentrator in operation early in 1929 that would have taken full advantage of the high copper prices, which would have placed the company in a substantial financial position.

On the other hand, it is claimed that during the time the Protective Committee's nominees were on the board of directors, that is from May 27, 1929, to October 27, 1930, is the period when the company's financial position became most precarious.

Ore Estimate Not Substantiated

Mr. Spearman was early interested in the affairs of Abana and is understood to be a substantial stockholder. He made the original report on the company's ore reserves, stating that developments indicated 1,000,000 tons of ore, valued at $30,000,000. This report did much to influence the price of Abana shares on the stock market.

Afterward, four leading engineers, Maurice Summerhayes, Mr. Dufresny, of Quebec mines department, W. E. Segsworth and H. E. Clement failed to substantiate the ore reserves estimated by Mr. Spearman. Mr. Spearman has not been officially connected with Abana since the fall of 1928, but has been active in the leadership of the Protective Committee which claims that the present board is not representative of the shareholders.

Owes $200,000

The present position of the company is that it has a partially completed mill on the property; has a mine developed to an initial production stage of 190,100 tons of developed and partially developed copper ore assaying 5.5 per cent copper which also carries values in gold, silver and zinc; has 209,400 tons of copper ore indicated by diamond drilling which assays 4.57 per cent copper together with values in gold, silver and zinc, and in addition has 526,700 tons of developed, partially developed and indicated zinc ore assaying 17 to 19 per cent zinc with small values in gold, silver and copper.

It is over $200,000 in debt, principally to the Mining Corp. of Canada, which came to the rescue last June, financed the last payment on the company's property and carried out and managed the subsequent development work until operations suspended in September.

The main claim of the Protective group is that Mr. Connell dominates the board of directors and was elected by proxies representing stock registered in names of mining brokers, including F. G. Oke, who was formerly on the side of the Protective Committee. It is pointed out by the committee that the transfer books last week showed the directors holding stock as follows: Connell, 9,935 shares; Waite, 1,000 shares; Segsworth, 500 shares; Dussault, 13,000 shares; Pritchard, 5,000 shares and Trudeau with 500 shares.

A campaign is under way by the Protective Committee to have shareholders register their shares, as it is claimed that the directors are offsetting the committees move by having Toronto brokers friendly to the board increase the amount of stock registered in their names instead of in the names of its client owners. One Toronto broker is claimed to have increased the amount of his registered stock from 100,000 to 202,000 shares recently.

In the scramble for proxies it is claimed by the Protective Committee that Montreal brokers are working with the board to ensure that at the next meeting the present board will be in control.

Cash must be found or Mining Corp. of Canada may exercise its claim under the terms of the mortgage at the time the loan was made.

Gold Production in Canada Exceeds United States in Year

Canada, in 1930, had a gold production in excess of that of the United States, for the first time in history and is now in second place among the gold producing countries of the world, being exceeded only by South Africa.

While the final figures are not yet available, preliminary reports indicate that the value of Canada's production in 1930 was $43,199,295 or $746,395 in excess of that of the United States.

The subjoined report by Charles G. Knott, Toronto, gives for the first time a comparison of the production of the United States by states with that of Canada by provinces.

When the production in 1930 from the Philippine Islands amounting to $3,698,900 is added to the balance of the production of the United States, the value is brought above that of Canada.

U. S. is Declining

The peak gold production was reached in the United States in 1915 when it amounted to $99,714,800. Since that date there has been a steady decline. Canada on the other hand has steadily increased her gold production and indications are that 1931 will show a considerbale increase over 1930.

California is the largest gold producing state in United States although its output is little more than 25 per cent of that of the gold production of Ontario.

The following is a tabulation of the gold production of United States and Canada by states and provinces for 1929 and 1930:

DOMINION OF CANADA

	Year 1929 (Final) Fine Ounces	Value	Year 1930 (Preliminary) Fine Ounces	Value
Alberta	5	$ 103	......	......
British Columbia	154,204	3,187,680	163,305	$3,375,814
Manitoba	22,455	464,186	27,398	566,367
Nova Scotia	2,687	55,545	1,687	34,873
Quebec	90,798	1,876,961	138,898	2,871,276
Yukon	35,892	741,954	38,239	790,470
	306,041	6,326,429	369,527	7,638,800
ONTARIO	1,622,267	33,535,234	1,720,239	35,560,495
	1,928,308	39,861,663	2,089,766	43,199,295

UNITED STATES

	Year 1929 (Final) Fine Ounces	Value	Year 1930 (Preliminary) Fine Ounces	Value
Alaska	374,669	$7,745,100	394,779	$8,160,800
Alabama	10	200	10	200
Arizona	211,108	4,364,000	151,428	3,130,300
California	409,020	8,455,200	438,912	9,073,100
Colorado	220,285	4,553,700	214,195	4,327,800
Georgia	58	1,200	203	4,200
Idaho	19,597	405,100	20,748	428,900
Maine	......	......	29	600
Montana	55,854	1,154,600	45,724	945,200
Nevada	158,941	3,285,600	134,410	2,778,500
New Mexico	33,026	682,700	29,576	611,400
North Carolina	174	3,600	184	3,800
Oregon	17,657	365,000	13,975	288,000
Pennsylvania	745	15,400	639	13,200
South Dakota	312,328	6,456,400	402,422	8,318,800
Tennessee	653	13,500	1,030	21,300
Texas	1,268	26,100	1,122	23,200
Utah	237,221	4,903,800	200,103	4,136,500
Washington	3,972	82,100	3,720	76,900
Wyoming	48	1,000	450	9,300
	2,056,629	$42,514,300	2,053,659	$42,452,900

United States maximum year 1915—4,823,704 ozs.; $99,714,800 (North America only—Philippine Islands excluded).

Venus Mines in Amos Area to Start Mill

The new 40-ton steam-operated amalgamation and concentration mill of Venus Gold Mines, which has been under construction for the past several months, is to be started this week, according to official information.

This marks the third gold mine in Quebec to install a mill in the past two years. Early in 1929 the Siscoe started a 100-ton mill, and in midsummer, last year, the Granada-Rouyn placed a 60-ton mill in operation.

The Venus property consists of approximately 1,300 acres near Fisher Station, about 18 miles east of Amos on the C. N. Ry. Early in 1929 a steam-operated mining plant was installed on the property to develop two sheer zones known as the North and South that run through the property in a northwest and southeast direction. A system of veins runs through these zones which have a width of six to eight inches and occurs in mineralized quartz which shows free gold. A shaft has been sunk to 230 ft., and a level established at 200 ft.

SEVEN TROUGHS REPORTS PROFIT BEFORE DEPLETION

A net operating profit of $80,695, subject to depreciation and depletion, is officially reported by the Seven Troughs Gold Mines from the commencement of milling operations on August 1, last to December 31.

The official statement shows bullion production was $226,824 for the five months period. No statement is made as to the tonnage of ore treated, but the tailings loss is stated to average from 27 to 40 cents per ton.

Current assets are shown as $65,811 while current liabilities are shown as $33,107, giving a working capital of $32,704. In addition, there are outstanding bonds totalling $225,000.

Large Canadian Interest

Production has been taken during the five months period mainly from the 5,100 vein while the major development programme centred on extending the 7,800 north tunnel towards the Muzuma Hill where it is planned to pick up the Muzuma ore zone at depth which was encountered in the early working at higher levels. The report states it is believed that this ore zone has been reached as drilling has encountered a heavy flow of water which this vein system carries. It is pointed out that when the vein system of the Muzuma Hill is reached that a much larger and more profitable production could be made.

Seven Troughs Gold Mines is a Nevada incorporation consolidating a number of former mining operations in the Seven Troughs district, Pershing county, Nevada, 30 miles northwest of Lovelock. There is a large Canadian holding of the company's shares and two Montreal residents are on the board of directors.

Income Account—Aug. 1 to Dec. 31. 1930

	$
Bullion prod.	226,824
Miscellaneous income	238
	227,062
Mining	80,398
Milling	23,409
Devel. & gen. ex.	20,256
Admin., taxes, int. & insur.	22,305
Operating profit*	80,695

*Subject to depreciation and depletion.

MERCURY OILS INCOME $161,220 FOR 22 MONTHS

Total Cost of Wells So Far Has Been $747,000

The first financial report of Mercury Oils, for the 22 months period since incorporation to December 31, shows a net loss of $53,668 after writing off $35,103 for depletion, $24,686 for depreciation, and $129,212 for loss on investments.

The gross income from sale of oil and gas from the company's three producing wells was $161,220, against which there was a production expense of $20,808 or a net revenue from production of $140,412. Non-operating income totalled $34,616.

Current assets total $87,252 while current liabilities total $48,641, giving a net working capital of $38,611. In addition, the company has $401,528 invested in shares of other companies at cost from which $129,212 has been written off on account of loss.

Spend $747,000 on Wells

The total cost of the company's eight wells, three of which have been completed, is shown at $747,540. At the present time three of these wells, Nos. 1, 2 and 3, are producing. The total delivery to the refinery in 1930 amounted to 56,815 barrels.

To Buy Mill City

Mercury Oils was incorporated on March 12, 1929, with a Dominion charter and a capitalization of 3,000,000 shares of no par value, of which 2,969,742 were outstanding on December 31 last. At a general meeting held January 7 the authorized capitalization was increased to 5,000,000 shares in order to provide for the company's expansion programme. Early in January it was proposed that Mercury Oils purchase Mill City Petroleum, but due to dissatisfaction expressed by minority shareholders of Mill City, the deal was not proceeded with.

It is the intention of Mercury Oils, however, to acquire between 300,000 and 400,000 shares of Mill City stock formerly held by Solloway, Mills & Co., which will give Mercury control of the Mill City. These shares of Mill City constitute the entire holdings of Solloway, Mills & Co. in that stock and are part of the 500,000 Mill City share which that firm agreed to purchase at $2 per share and on which it defaulted.

SUDBURY OFFSET NOW CONTROLLED BY ALBERT WENDE

Control of Sudbury Offsets Ltd., which owns a copper-nickel prospect in the Sudbury district, has passed to Albert Wende, of Buffalo, according to official advice.

This company is a closed corporation, formerly controlled by Cyril T. Young and associates, which owns approximately 46 claims extending continuously or 4½ miles along the Foy offset in Foy township on the north rim of the norite contact in the Sudbury nickel range.

The company was incorporated in 1928, with an Ontario charter, having a capitalization of $5,000,000 in $1 par value shares of which 2,750,000 shares are outstanding. The principal money for diamond drilling and developing the property has been supplied by Mr. Wende and his increasing his holdings in the company now gives him the control. It is understood that a steam mining plant is to be installed on the property this winter to commence sinking operations. Diamond drilling has already indicated two ore bodies of promise, and it is the intention to sink and explore these ore bodies to confirm diamond drilling results. The development of this offset is being watched with considerable interest as it is in an offset that the Murray and Frood ore bodies occur.

There has beenno public financing of the enterprise, all the money being supplied by Mr. Wende and the directors of the company.

AWAIT REPORT OF DR. GRATON ON HOLLINGER

Some Surprises Are Possible When Document is Made Public

From Our Own Correspondent

TIMMINS.—The forthcoming report being prepared by Dr. Graton, on the Hollinger mine, is being awaited with more than usual interest in that it is believed that the report will contain one or two important surprises. According to information secured by The Financial Post correspondent, the report will not contain anything in the way of a surprise when dealing with the lower horizons of the mine, but it will carry very favorable information in connection with new ore and possible ore at levels where the ore possibilities were, heretofore, believed to have been delimited.

Recently, various unofficial and official reports have appeared, dealing with and stressing the development of new ore at various horizons above 3,000 ft. However, these developments, while important, are not unusual for Hollinger. When work fails to find new ore, the ore reserves of the enterprise will start falling at the rate of around $10,000,000 annually, or at whatever rate the concern may be producing at such times as it is impossible to develop further ore. It may be said here, however, that it will be a long time before Hollinger will find it impossible to develop further ore.

May Add to Reserves

The new ore recently developed is not only important in the way of adding to ore reserves, but it opens the way to further developments of importance. Instead of finding it necessary to eat into ore reserves, with production at the present rate, it now appears likely that Hollinger will find it possible to add considerably to ore reserves and still maintain production at the current rate. This is particularly important at this time, in that many close students of the Hollinger operations have for some time harbored the belief that the ore reserves of this mine might be expected to show a gradual decline each year.

Another suggestion in connection with the forthcoming report has to do with the possibilities of finding ore of a commercial grade in the porphyry. While the big deposits of the Hollinger have been found in close proximity to the porphyry, it has always been found that the values peter out when the veins enter the porphyry. Should ore in important volume be found in the porphyry, the outlook for the enterprise will be improved even further.

Cite Kirkland Lake Precedent

At Kirkland Lake the rich deposits of gold ore occur in the porphyry. In the early days of Kirkland, many mining engineers and geologists believed and stated that it would be impossible to make profitable producers of importance in what is now the main area, because of the fact that the veins were found in the porphyry. They reasoned that because of the fact that the veins at Porcupine did not carry commercial values in commercial volume when in the porphyry, the veins at Kirkland could not be expected to carry commercial ore. As is well known, that theory has proved wrong.

For years, few have so much as considered the possibility of developing ore in the porphyry at Porcupine. However, it should be borne in mind that, in view of the fact that early work showed the veins on Hollinger as of no importance when in the porphyry, less attention has been given the porphyry. Perhaps some good bets have been overlooked. If the veins in the porphyry at Kirkland Lake had not been systematically explored and developed, (by interests who refused to accept the theories of then prominent mining engineers and geologists) Hollinger would still be producing gold at a greater annual rate than any other gold mine in Canada, in that there would be no Lake Shore. The mines of the Kirkland Lake area produced over $17,000,000 during 1930, from veins which occur in the porphyry.

Meantime, the development of big widths and ore of a higher average grade than the mine average at horizons where the ore possibilities were previously believed to have been exhausted, has placed Hollinger on sound footing and the concern can continue to produce at the current rate with comparative ease.

Ore Mined by Nipissing Up Slightly

An official report of the Nipissing Mining Co. shows the net value of ore mined during the last quarter of 1930, amounted to $156,541 as compared with $144,072 in the third quarter. Shipments of bullion, residue and cobalt ore during the last quarter of 1930 had an estimated net value of $115,136 as compared with $205,410 in the third quarter.

The low grade mill continued to give about the same quantity of ore as during previous quarter, when 10,440 tons were treated. The high grade plant treated 254,000 tons while the refinery shipped 252,238 fine oz. silver.

The report states that there were no outstanding developments of new ore during the quarter and that silver produced in 1930 was about the same as in 1929 when production amounted to 45,421 tons milled, from which was extracted 1,545,147 fine oz. silver, valued at $748,425. The value of the production in 1930 was considerably less owing to the drop in the price of silver.

The last financial statement of the company was on October 21, when cash, government and railroad bonds and other investments amounted to $2,809,398 and bullion on hand and in transit amounted to $250,035, giving total liquid assets of $3,059,433.

McINTYRE EARNS $544,543 DURING THIRD QUARTER

Earnings For the Nine Months of Fiscal Year Show Gains

Net earnings before depreciation by McIntyre-Porcupine Mines for the third quarter ended December 31, 1930, amounted to $544,543, bringing the total earnings for the nine months of the current fiscal year to $1,570,819 as compared with $1,462,831 during the same period in 1929, or an increase of $107,988.

Production figures are not given for the nine months period, but based on previous government reports, the tonnage milled is approximately 425,000 tons from which $3,500,000 in bullion has been recovered or an average of approximately $8.20 per ton.

Following is the detailed statement of income for the nine months ended December 31, 1930. The company's fiscal year ends March 31.

	3rd Qtr. 1930 $	9 Mos. 1930 $
Gross income	1,220,362	3,585,795
Costs, includ. develop.	644,206	1,914,471
	576,156	1,671,324
Less: Prov. for taxes for period	31,612	100,505
Net earn. before depr.	544,543	1,570,819

Well to Be Drilled On Anaconda Property

An agreement has been reached between Anaconda Oil Co., Hylo Oils and C. L. Atkins whereby the latter will drill an oil well on the property jointly owned by the companies, located in L.S.D. 14, section 16, township 19, range 2 west of the 5th meridian, in Turner Valley, Alberta.

The well is to be spudded in before May 1, 1931, and in event of production the joint owners of the property are to receive a 12½ per cent clear net royalty.

Trail Ore Receipts

Following is a statement of ore received at the Trail Smelter for the period January 8th to January 14th, 1931, inclusive:

Name of Mine	Locality	Tons
Union	Lynch Creek	36
Total Company		7,841
Grand Total		7,277

Hollinger Consolidated

Information on Request

ELGIN 8307-8

Beilby, Coleman & Evans

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DOME PROFITS IN FULL YEAR TOTAL $117,895

Showing Considered as Mill Operated Only Two Months

Net profits of $117,895 are shown by Dome Mines for 1930 before reserves for depreciation and depletion, despite the fact that the company was in production for but two months during the year.

A clean-up after the fire which destroyed the company's mill in October, 1929, resulted in $377,202, while production during the November and December of last year amounted to $298,064, bringing the total operating income to $775,266.

During the two months a total of 64,600 tons of ore was treated or an average recovery of $6.18 per ton. In November, the ore treated was approximately 30,000 tons with recovery averaging $5.62 per ton, while in December the ore treated by the mill was approximately 34,600 tons from which there was an average recovery of approximately $6.65 per ton. This increase of almost $1 per ton in the recovery in December may be accounted for largely by absorption in the metallurgical treatment and the fact that the mill has been tuned up and is giving a higher recovery. The average monthly production in 1929 was approximately 45,200 tons. The average recovery per ton in 1929 was $7.58 per ton and indications are as the mill is tuned up previous production figures will be established.

Expect Lower Costs

Initial production for the two months of last year was at the rate of approximately 1,060 tons daily, but it is understood that starting January 1 the mill has been stepped up to its normal capacity of 1,500 tons daily. During 1930, while the mill was under construction, development work was proceeding and the ore reserves of the company at the present time are greater than they have been for several years. Last April the estimated ore reserves were 1,575,000 tons, sufficient with the present mill capacity for approximately three years. Since last April development work has steadily progressed, and it is believed that at least one year's additional ore has been proven up, making a total ore reserve sufficient for approximately four years' supply for the new mill.

It has been unofficially stated that economies effected by the new mill will reduce operating expense approximately 50 cents per ton. This saving, however, is not expected to be shown in the two months initial operation of the mill as in this period it is operating at only about two-thirds capacity.

Recoveries from ore in process at date of Fire, mill wreckage, and from high-grade, less mint settlement adjust. of $673.08..	$377,202.16
Bullion production, Nov. & Dec.	398,063.61
	$775,265.77
Development, operating and general costs	981,488.29
Operating loss	$206,222.52
Non-operating income	324,117.72
Net profit*	$117,895.20

*No allowance made for depreciation or depletion.

New Big Missouri Mill Has Started to Operate

The new pilot mill at Big Missouri mine of the Buena Vista Mining Co., jointly owned by Consolidated Mining & Smelting Co. and Big Missouri Mining Co., started into operation on December 18, according to reports from British Columbia.

The initial capacity of the plant is about 100 tons daily but an early increase to a capacity of 250 tons daily is planned.

Doherty Roadhouse Buys Wright Wilson

Doherty, Roadhouse & Co. has purchased the seat on the Standard Stock & Mining Exchange owned by Wright Wilson & Co., 51 King St., Toronto, and held in the name of Garnet Wilson.

The assets and goodwill of Wright, Wilson & Co. have also been purchased and the office will continue to conduct a general brokerage business under the management of K. W. Wright.

Gold Stocks *will lead in activity during* **1931**

It is our firm belief, based on the opinion of authorities, that 1931 will be a banner year for the Gold Mines of Canada. Investors who purchase the shares of Gold Producers at to-day's levels should benefit substantially during 1931. The facilities of our organization are at your disposal—to buy, sell or furnish the latest information on these mines.

Latest Letter on Gold Stocks Mailed on Request.

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Members Standard Stock and Mining Exchange

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GOLD STOCKS LEAD THE MARKET

What is the Reason for the Sustained Advance?

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Announcement

We wish to announce that we have acquired the business of

Wright, Wilson & Co.
Members Standard Stock and Mining Exchange

and have opened a branch office fully equipped with Board Room facilities located at

51 King Street West, Toronto.

This office will be under the management of
Mr. K. W. Wright.

Doherty Roadhouse & Co.
Members Standard Stock and Mining Exchange
170 Bay Street Toronto
HAMILTON ST. CATHARINES BRANTFORD

Before Buying Gold Stocks

buy the latest Survey of Mines and know your property.

Interest in gold stocks grows as the mines of Northern Ontario continue to expand and produce more gold with decreasing costs. These stocks have displayed strength as has no other group.

Gold production is not adversely affected by periods of depression owing to its constant demand at a fixed price. In point of fact, the value of gold actually increases in periods of depression as the purchasing power is greater as commodity prices decrease.

During the past year Ontario gold mines have carried out expansion programmes that will during the current year place Canada in second place among the gold producing countries of the world. This expansion will also make for lower operating costs, assisted to a marked degree by receding prices on supplies necessary in modern mining and milling operations. With this larger production and lowered costs the value of the product, gold, remains the same, and it is knowledge of this condition that is directly affecting the market for this class of securities.

The Financial Post Survey of Mines is the most complete, accurate and convenient reference on mines, mining development and mining stocks obtainable. Copies of the latest survey brought out in October, 1930, may be obtained at $2.00 per copy.

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VANCOUVER MART TRADING ACTIVE IN INDUSTRIALS

Mines and Oils, Formerly Favored, Are Now Superseded

From Our Own Correspondent

VANCOUVER.—The Vancouver Stock Exchange has taken advantage of the lull in mining stocks, formerly its chief support, to establish itself on the firm foundation of a mart for dividend-paying industrials—a development brought about during the past few months.

This departure into the industrial field has made the Vancouver exchange no longer dependent on the more speculative issues which during the boom days represented 90 per cent of its activity. In spite of the prevailing depression in almost every industry, the Vancouver exchange finds itself in a strong position and well prepared to meet the general expansion that is anticipated within the next few years.

Industrials More Popular

Trading in industrials such as C. P. R., B. C. Packers, B. C. Power and Coast Breweries has grown to substantial volume lately, and it would appear as though the exchange, by thus broadening its sphere of operations, strengthened itself materially.

Two or three years ago the Vancouver exchange, as in the case of most of the coast exchanges, was essentially a place where mining issues were bought and sold. When the Turner Valley oil field began to gain prominence it became a mining and oil exchange, but stocks representing industries other than these were negligible. Now, however, the exchange embraces trading in the same wide range of securities handled by the senior exchanges of Canada, with particular emphasis recently laid on the industrial feature.

With a trust fund behind it amounting to approximately $350,000 the Vancouver exchange is amply fortified to meet current expenditures. This fund is invested in bonds which return sufficient interest to meet the major portion of the running costs, such as rentals and staff, and in addition there is the nominal assessment of members. The financial condition of the exchange is described as eminently satisfactory by the president, Charles G. Pennock. Most of this trust fund was accumulated through sale of seats in the exchange during the boom period. Ten new seats were created and these sold for prices averaging slightly more than $30,000 each.

35 Trade Actively

There is now a nominal membership of fifty, but of these only thirty-five are actively trading on the floor of the exchange, most of the others being suspended for the time being. It is interesting to note that the seats formerly held by Solloway, Mills & Co. have been taken over by J. H. Crang and A. E. Mackenzie, of Toronto. Several firms, such as R. P. Clark & Co., B. C. Bond Corp., Branson, Brown & Co., are not actively operating pending settlement of litigation.

Oils still continue to hold interest in the Vancouver board, and there is every indication that they will continue to enjoy active trading, as much of the capital invested in the Alberta oil fields is from Vancouver and most of the oil issues have been well supported here.

Elect New Officers

Mining is inactive and the trading done represents a mere fraction of what it was before the big break. When metal prices show signs of recovery a general quickening in the pace of mine stock sales is expected to materialize.

The industrials now listed include B. C. Packers, B. C. Power A, B. C. Pulp, P. Burns & Co., C.P.R., Coast Breweries, Canadian Western Lumber Co., Pacific Coyle Navigation, Westminster Paper Co., Growers Wine Co., Franco-Canadian. International Nickel, Noranda and Sherritt-Gordon are provisionally listed.

At the annual meeting held recently C. G. Pennock was re-elected president. A. E. Jukes is vice-pres.; J. Lingen Wood, hon. secty.; G. R. Davidson, hon. treas.; executive committee, W. H. Nanson, C. M. Oliver, N. E. O'Brian, Hedley M. Smith and A. N. Wolverton.

Canada's Interest In World Problems

A Discussion of World Affairs and How They Now Touch Canada's Problems

By GRANT BROWN, of H. G. Stanton & Co., Toronto

Editor's Note—Business recovery in Canada will be substantially influenced by conditions in other parts of the world. The Financial Post is publishing a series of five articles on world affairs in relation to Canadian recovery. They have been written by an economic student with an historical background, Grant Brown, formerly of the staff of the University of Toronto, now a partner of H. G. Stanton & Company, members, Toronto Stock Exchange, Toronto.

The purpose of this series on "Canada and the Outside World," is to call attention to the intimate connection of trade and industry in Canada with the outside world and to examine certain aspects of foreign affairs in relation to our industrial recovery. The first article discussed Great Britain.

ARTICLE TWO—CONTINENTAL EUROPE

The problem of Germany is still with us. It had been hoped that the adoption of the Young Plan, the flotation of three hundred million dollars' worth of Reparation Bonds, part of which went as a loan to Germany, and the French evacuation of the Rhineland, had removed reparations and kindred questions from the disturbed realm of international politics to the comparatively peaceful domain of finance, with the newly created Bank of International Settlements, transmitting Germany's payments to her creditors so skilfully as to avoid any disturbance of international exchange.

Fascisti and Communists Gain

The Reichstag elections (September 14) changed the picture. The most striking feature of the results was the increased strength of the extreme parties. Communists on the one hand and Fascists (alias National Socialists or Nazis) on the other. The Fascists, in particular, led by the eloquent fire-brand Hitler, gained in numbers and prestige, and became the second party in the Reichstag. At first sight it looked as though Germany had definitely turned from a policy of peace and acquiescence to a policy of challenge which would lead ultimately to treaty revision and perhaps to war. German bonds sold off sharply. Timid investors withdrew gold from Germany. France began to regret the evacuation of the Rhineland.

Later developments have been somewhat reassuring. It seems probable that the gains of Communism and of Fascism were rather in the nature of a protest against depression and unemployment than a deliberate rejection of a pacific foreign policy. At any rate the Bruening government has been able to carry on in spite of the noisy opposition of Nazis and Communists, and the financial reforms on which the election hinged have in the main become law.

Investors Lose on Germany Bond Issues

Nevertheless the election has made the situation more difficult largely because of its repercussions abroad. France is more suspicious and less conciliatory; American investors, who bought German 5½% bonds in June at 90 only to see them drop to 68 a few months later, are not likely to subscribe enthusiastically for German issues in the near future; and so with other foreign investors. Thus the vote in September has made it more difficult for Germany to secure the long-term loans she needs, and German industrial recovery is thereby retarded.

Unemployment in Germany complicates the problem of meeting reparations payments. On December 15 the total of registered unemployed was 3,977,000, of whom 2,549,000 were in receipt of unemployment doles, and the number is expected to be considerably larger before the winter is over. These figures mean a steadily increasing drain on the treasury. They are largely responsible for the unpopular Bruening financial reforms, and they have given rise to rumors that Germany will before long be forced to take advantage of provisions in the Young Plan which permits postponement of certain payments in time of stress. However, the new budget has made a considerable cut in estimated expenditures; German foreign trade has been holding up fairly fell; and the Minister of Finance (Dr. Dietrich) expects unemployment figures to take a turn for the better in the spring; so that there seem to be some grounds for hoping that a moratorium may be avoided for the present.

Polish Corridor is Live Question

Another dangerous factor in the German situation is the friction between Germany and Poland particularly in connection with the "Polish Corridor," that long strip taken from the German Empire to give Poland access to the sea, and also with regard to the treatment of Germans who under the Treaty of Versailles have become citizens of Poland. While Germany may accept the new western boundary as irrevocable, her attitude toward the eastern frontiers is very different. The feeling in Germany for treaty revision in spite of its attendant perils is strong. The followers of Hitler urge revision even at the risk of war. And this feeling not only tends to embitter relations with Poland but makes France nervous and suspicious and far less likely to listen to anything in the nature of genuine disarmament.

Republic, However, Still Survives

Germany, then, continues to be a doubtful factor in the European situation. On the debit side of the account, one might put the heavy burden of unemployment, the difficulty in balancing the budget, the spread of Fascism and Communism, and the strength of the movement for treaty revision; while on the credit side one might set the fact that the republic does survive and an administration of moderate views is able to maintain itself and to secure parliamentary sanction for its financial reforms. One might also add the tendency to take the League of Nations seriously and to use Geneva as an international forum from which grievances may be ventilated with a view to their peaceful solution.

Depression Begins to Show in France

France has until recently been one of the very few states to escape depression. With practically no unemployment, with a strong tradition of thrift and industry, with the franc stabilized at about one-fifth of its former value, which means virtual cancellation of four-fifths of the national indebtedness, with a large wheat crop in 1929 at fairly good prices and larger foreign credits piled up in the days of the "flight from the franc," with industry stimulated by the work of restoration in the devastated regions, with an accumulation of gold second only to the huge holdings of the United States, with a title to the largest share of German reparations, France has seemed to be the favored among nations, apparently immune from the general depression. Of late, however, tares have appeared among the wheat. Poor crops and low prices have depressed agriculture. The steady influx of gold, far more than can be employed productively in France, has tended toward rising prices and ill-judged speculation, to which the recent difficulties of certain French banks bear witness. Unemployment has at last begun to threaten. Industrial production is decreasing. Foreign trade has shrunk. In short, France, though still relatively prosperous, is not quite so prosperous as she was; and it looks as though she may have a belated taste of the general depression.

Piles Up Excess Stocks of Gold

The continued accumulation of gold by France presents a problem in international finance. France, with the second largest stock of gold in the world and with the command of huge foreign credits, continues to import gold badly needed elsewhere. One result is seen in the steady drain on the Bank of England whose gold holdings are now (December 29) once more near the Cunliffe minimum (£150,000,000). Arrangements to make France's banking system more flexible and her surplus gold more useful to the world would contribute much to the solution of one of the world's major problems, the gold question.

Danger of War is Real Menace

The most important question relative to the European situation, and the one most difficult to answer satisfactorily, is the reality and the extent of the danger of war. Recently in referring to international tension, the British foreign secretary declared: "I am absolutely convinced that there is no one who wants war, no one plotting for war, no one who doesn't realize that war would be an unmitigated disaster to all concerned." While such a statement coming from such a quarter must carry weight, it is far from disposing of the whole question. It is quite conceivable that international tension, in the future, as in the past, might lead to a war not deliberately planned by any one of the parties involved. Racial antipathies finding expression in mob violence, a proud nation placed in a position whence it could not easily recede, in a crisis the fear that delay in mobilization might cause the loss of some initial military advantage—such factors as these might lead, from a clash of interests or a diplomatic entanglement, to actual war. So long as the dangerous situations exist, war lurks in the background as a potential menace; and the question becomes whether the forces making for peace are strong enough and can act quickly enough to induce belligerents to settle their quarrels by peaceful means.

Many Storm Centres in Europe

At present the chief storm-centres seem to be the relations of Italy and France, Jugoslavia and Italy, Germany and Poland, Hungary and its neighbors, and, in general, the question of treaty revision. Franco-Italian relations have grown steadily worse since the question of naval was raised at the London Naval Conference. French control of Italians (both in Europe—Nice, etc.—and in Africa—Tunis, etc.) aggravates the situation; and in French naval power in the Mediterranean Italy sees the chief obstacle to the coveted expansion of Italian power in Northern Africa. However, it is pretty well agreed that France does not want war; and some shrewd students of international politics are inclined to think that Mussolini's sabre-rattling speeches are largely for domestic consumption. (His recent utterances have been more pacific). Indeed, with finances already strained and with many domestic projects still to complete, Italy does not seem likely to seek expansion through war for some years, if ever. The danger here seems to be that high national feeling might lead to some incident hard to settle by diplomatic methods.

Between Jugoslavia and Italy there is a similar—perhaps greater danger; for Jugoslavia is probably less averse from war than is France, and there are some indications that the extreme military party in Jugoslavia is now in the saddle. The millions of Hungarians under alien rule and the German minority in Poland—not to mention other racial minorities—offer further possibilities of friction.

Europe Needs New Locarno

There appears to be a dangerous tendency to divide Europe into two camps, one headed by France and including Poland and "the Little Entente" favoring the "status quo," the other headed by Italy demanding treaty revision. High tariffs, almost amounting to economic war (e.g., the failure of Czechoslovakia and Hungary to agree on a new trade treaty), add to the difficulties and the friction. Under such conditions, it is not surprising that the commission which recently met at Geneva to prepare for a general disarmament conference had little progress to report. Nor has Briand's project of a federated Europe made much headway.

At the moment, Europe badly needs a new Locarno, and a second Stresemann. As it is, the chief hope for peace seems to lie in the frank discussion at Geneva of differences which might lead to war, in the development of the machinery of international justice, and in the growth of an international public opinion strong enough to check at the outset attempts to solve international problems by force. On the whole, barring some international incident in which the forces tending to war move too speedily for the lumbering machinery of peace, the probabilities point to a continuance, for some years at least, of the present state of suspended hostilities.

The next article will deal with Russia.

NEW REED PLANT OF WESTERN STEEL BEGINS OPERATION

Completion Rounds Out Wide Chain of Operating Subsidiaries

From Our Own Correspondent

MONTREAL.—The new plant of George W. Reed & Co., a division of Corporate Steel Products, has been completed and is in operation. The unit was constructed at a cost of about $500,000. Western Steel Products, operating subsidiary of Corporate Steel Products, acquired the Reed business in March, 1930, and the new plant is the company's largest individual unit engaged in the manufacture of steel and sheet metal products.

The former Reed plant was sold in connection with the C. N. R. terminal project necessitating construction of a new factory. Acquisition of the business marked another step in the expansion of Western Steel Products. Prior to that time, the latter company had no operating facilities east of Toronto. The Montreal division rounds out what is practically a Dominion-wide chain of subsidiaries.

Interest in Preferred

Investment interest in Western Steel Products dates from 1928 when an issue of $1,000,000, 6½ per cent preferred was offered publicly. In March, 1930, a new company, Corporate Steel Products, was formed and a share for share exchange was effected with Western Steel common shareholders.

Corporate Steel is reported to have made satisfactory headway in 1930 though the company has not had time to realize the full benefits which are expected to accrue from expansion carried out last year. In 1929 its subsidiary Western Steel Products experienced a sharp increase in earnings which were equal, after all deductions, to $51.20 a share on the preferred and $4.92 a share on the common.

No Dividends Paid

No dividends have been paid on the capital stock of Corporate Steel Products. One dividend of 50 cents a share was paid on the common stock of Western Steel in January, 1930, but none have been paid since that date. Preferred payments have been maintained regularly.

Corporate Steel Products now owns and operates through subsidiaries, 11 plants located in principal cities from Montreal to Victoria. Production comprises steel products of all kinds including agricultural, grain-elevator and general construction work tools.

Chemists Form Association

Existing Canadian chemical societies were recently merged to form a nation-wide organization, the Canadian Chemical Association. The association will concern itself with development of all chemical industries, with scientific and technical education and scientific research. J. R. Donald, Montreal, was elected president, and J. Houston Wilson, Toronto, is secretary. The movement affects some 35 Canadian process industries.

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MESSRS. READ, SMITH, BIGGS & CLEMENTS, Chartered Accountants, Auditors, Liquidators, etc., of Regina, Saskatchewan, to act as their agents and correspondents in the Province of Saskatchewan.
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356 Main Street, Winnipeg, Canada. November, 1930.

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A General Banking & Foreign Exchange Business Transacted

Flour Mills Busier

It is reported that local flour mills in the Moose Jaw division of the Canadian Pacific are doing a good business this year gristing for the farmers. At Assiniboia 39,870 bushels of wheat have been gristed since August 1st compared with 8,365 for the corresponding period of 1929.

BAD? WELL, HARDLY!

BRITISH COLUMBIA'S volume from her four basic industries in 1930 . . . that year of universal gloom and depression . . . reached a total of $225,000,000 . . . against $250,000,000 in 1929, a year of abnormal activity everywhere.

Bad? Well, hardly!

Here are the figures for 1930:

Lumbering	$85,000,000
Agriculture	62,000,000
Mining	55,000,000
Fishing	23,000,000

Diversity of production has been British Columbia's salvation. She leads the Dominion in per capita production, per capita wealth, per capita purchasing power.

Get the Facts on BRITISH COLUMBIA, from the Industrialist's, Manufacturer's, Investor's, Homeseeker's point of view. Official reports and bulletins from authoritative sources are at your service.

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NESBITT STARTS UTILITY CAMPAIGN

Publishes Open Letter on Winnipeg Utility Situation

From Our Own Correspondent

MONTREAL.—In connection with the current situation affecting Winnipeg Utilities problem, an open letter has been addressed to the Winnipeg citizens on the hydro-electric situation by A. J. Nesbitt, president of Nesbitt, Thomson & Co., in which he says:

"At an informal conference on December 13, 1930, between some of the city's officials and representatives of Messrs. Nesbitt, Thomson & Co., bankers of Winnipeg Electric Company, an offer was made by the latter to negotiate for the purchase of Winnipeg's municipal hydro-electric system, or negotiate for the sale of Winnipeg Electric Co.'s properties to the city. Representatives of Messrs. Nesbitt, Thomson & Co., stated that under certain conditions they were prepared to pay $30,000,000 for the city's hydro-electric system.

"This proposal was advanced as being in the best interests of the city as a whole, and demands the most serious consideration on the part of every citizen.

Raised Large Sums

"During the past few years, Nesbitt, Thomson & Co. has financed Winnipeg Electric Co. and subsidiaries to the extent of over $50,000,000, which has been expended in new power plants and additions to existing facilities. It has also been instrumental in directing to Winnipeg and district considerable capital employed in industry and in assisting in the location of new industries. Our interest in the welfare of the city, and our desire to promote community prosperity cannot be questioned.

"We feel that the present is an opportune time for the consolidation of the power systems in Winnipeg. Control of such a consolidated utility in the hands of interests which have a successful record for developing communities and which can direct the investment of private capital in large amounts in order to increase power sales, is bound to give a tremendous impetus to the city's industrial growth.

Benefits of Deal

"The sale on fair terms of the city's hydro-electric system will substantially reduce the city's funded debt, and will relieve the city of that portion of such debt which is unproductive. This in turn should mean a considerable reduction in taxes to the ratepayers.

"Consolidation of the two power systems must result in substantial savings in operating costs. The interests of the city and the operating company will be identical, as the development of the city will be the concern of both. Under Public Utility Commission control, power rates will be regulated and only a fair return on the capital invested allowed.

"Winnipeg's greatest need today is the investment of more capital in industry. Capital cannot be coerced. It can and will co-operate if given a fair field. At the present stage of the city's development it would appear more important to stimulate the city's industrial growth and give employment to its citizens, than to spend millions of dollars on unproductive assets to relieve unemployment.

Favors Merging Systems

"The principle of consolidating the two power systems is a sound one. Through it will be provided a powerful agency to promote Winnipeg's industrial development along lines followed by another company for whom Nesbitt, Thomson & Co., are also bankers, namely, Southern Canada Power Co., in the Eastern Townships of Quebec, where during the past few years over 50 major industries have been located, giving direct employment to 12,000 people, and representing a capital investment of over $60,000,000.

"Private operation of hydro-electric systems has proved uniformly successful throughout Canada. This history of such companies proves conclusively their ability to promote industrial growth better than any other agency, while permitting citizens in the territory served to enjoy low rates."

British Columbia Will Cut Expenses

From Our Own Correspondent

VANCOUVER.—Owing to a general decline in revenues during the past year, the provincial budget will have to be drastically cut, according to Hon. J. W. Jones, new finance minister of British Columbia, who is now working on the government's financial policy, to be announced when the legislature meets some time in February.

There is no doubt that Mr. Jones' budget will feature economy. Fixed charges make up most of the budget, so that the capital expenditures will be most affected. The Government therefore is not likely to embark on any far-reaching and costly development projects during the coming year. Municipalities need not expect generous assistance from the Government in 1930, because they are not likely to get it. The Government will need all its revenues to meet its own charges.

Seek Best Man Possible to Head Live Stock Branch

From Our Own Correspondent

OTTAWA.—The resignation of H. S. Arkell, as Livestock Commissioner for Canada, is the first step in the reorganization of the personnel of the Federal department of Agriculture.

Mr. Arkell left the government service to become an official of the Canadian Livestock Co-operative company with headquarters at Toronto.

Hon. Robert Weir, Minister of Agriculture, is exercising great care in appointing a successor. He will select the best man he can find in the Dominion, and political considerations will have no part in the choice. The new Commissioner will be given much greater responsibility than was exercised by Mr. Arkell. He will have charge over all departmental branches dealing with livestock and animal products. The health of animals and the dairy branch will be under his control. It is expected that an assistant will be appointed.

Mr. Weir is taking his time in deciding upon the men for these important posts, but an announcement is expected before Parliament meets.

National Distilleries Creditors Meet January 27

From Our Own Correspondent

MONTREAL.—A meeting of creditors of National Distilleries has been called on January 27 when it is expected that a permanent liquidator and inspectors for the property will be appointed. It is planned to keep the plants in operation for it is stated that the company has orders on its books both for domestic and export markets.

National Distilleries was placed in receivership in December, 1930, to conserve assets pending a proposed reorganization. The company's position is due to hazardous conditions in the export market where much price-cutting has been in evidence. If an agreement between distillers is reached whereby export sales are pooled, it is possible that the situation will become easier.

Place Western Grocers Earnings at 1928 Level

Preliminary estimates place earnings of Western Grocers Ltd. at or below the 1928 level when net profit available for dividends was $129,082 and common shares earned $2.68. In 1929, net profit was $145,909 and common earned $3.68 per share.

It is understood that bank loans, accounts receivable and inventories will be heavy. Bank loans in 1929 amounted to $1,315,000 which is approximately the average figure for the past seven years during which the high point was reached in 1926 when such loans totalled $1,478,000. Inventories in 1929 were carried at $1,982,512, the highest in seven years while accounts receivable at $1,235,035 were exceeded in 1924 to 1927, inclusive.

The company's fiscal year ends on December 31 and the report is due early in March.

North Star Oil Profit is Down

North Star Oil Ltd. is reported to have earned but slightly less during 1930 than in 1929 when net profit was $419,217 and common shares earned $1.75. The company is engaged in the distribution and sale of refined oil, gasoline and other petroleum products in Manitoba, Saskatchewan and Alberta exclusively.

Halifax Port Expands

With the acquisition by the Port of Halifax of a new warm storage warehouse at pier 24, Prince Edward Island potatoes are to be shipped through Halifax in larger quantities.

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MOOSE JAW
Building for a Fine Future

What makes a city notable?

Is it only great population? Is it wealth? Is it civic development? Or is it the spirit of the citizens reflected in all the city's activities? If the spirit of the citizens is used as a yardstick Moose Jaw is a notable city.

Nowhere is this better exemplified than in its Board of Trade, where the best elements in the city's life come to the fore.

Moose Jaw has achieved a record for all Boards of Trade in Canada, with the largest per capita membership of any board or chamber in the Dominion. Membership includes 1,000 representative business men of the city, of which 650 are members of the Young Men's Section.

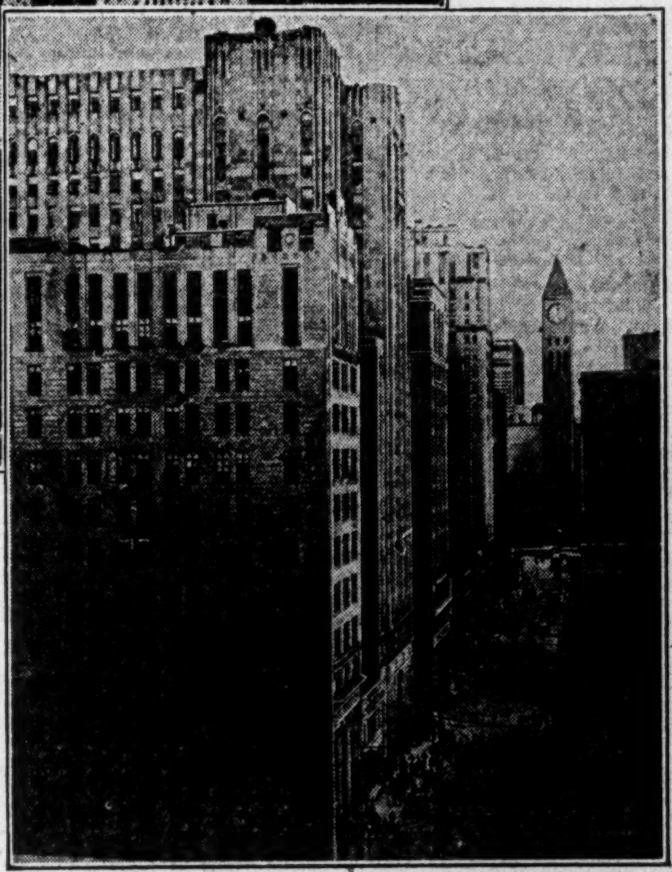
This excellent record is a clear indication of enthusiasm for municipal affairs and today the Board of Trade is showing an aggressive spirit, which does much to further the interests of the city as a whole.

Moose Jaw and the Prairie Provinces in general have at the moment urgent problems to grapple with. But many times before grave problems have confronted the West and have been successfully solved. Nothing has arisen to indicate that either the ability or the spirit of the people is changed—or that the resources of Western Canada in agriculture, mines, timber, fisheries and other assets are potentially less valuable than hitherto. Today's temporary problems should soon be worked out, and Western Canada will resume its progress. Moose Jaw's splendid future is assured since the city occupies a pivotal position in the rich prairie wheat belt.

Opportunities for the industrial expansion of the city are being fostered and created by the capable and aggressive activities of the Moose Jaw Board of Trade which at all times is prepared to supply particulars to business men and manufacturers regarding the many advantages of Moose Jaw as a location.

For Further Information On Moose Jaw, write:
The Commissioner,
THE BOARD OF TRADE
or
The Industrialization Committee
Moose Jaw, Sask.

The aerial view above shows in the centre foreground the towering height of the new Canadian Bank of Commerce Building. To the right can be seen the new Canada Permanent Building, the new Star Building and the massive Royal York Hotel. All these large and striking buildings have been erected in the last two years. At the water line can be discerned the Toronto terminal warehouse, the largest of its kind in the British Empire. Photograph by courtesy Mr. A. Van.



Bay Street looking north. This is "the Wall St. of Toronto" and one of the financial centres of the continent.

Continuing Growth in Toronto

Centre of Canada's Richest Concentrated Market

AS EACH new skyscraper in Toronto projects itself into prominence on the city's skyline, another evidence is given of the wealth, stability and promise for the future of Canada's Queen City.

What has made Toronto expand and develop in the last ten years in the forefront of cities on this continent? Why is Toronto still growing surely and vigorously despite world-wide depressed business?

During the year just closed twenty-nine (29) new industrial firms of outside origin located in the Toronto area representing parent companies, in other countries, possessing great resources and aggressively directed.

What are Toronto's striking advantages?

First and most important is the impressive fact that the area of 75 miles surrounding Toronto contains a population possessing greater per capita wealth and a higher standard of living than any similar 75-mile area in Canada. Toronto is the centre of tremendous and widely distributed buying power.

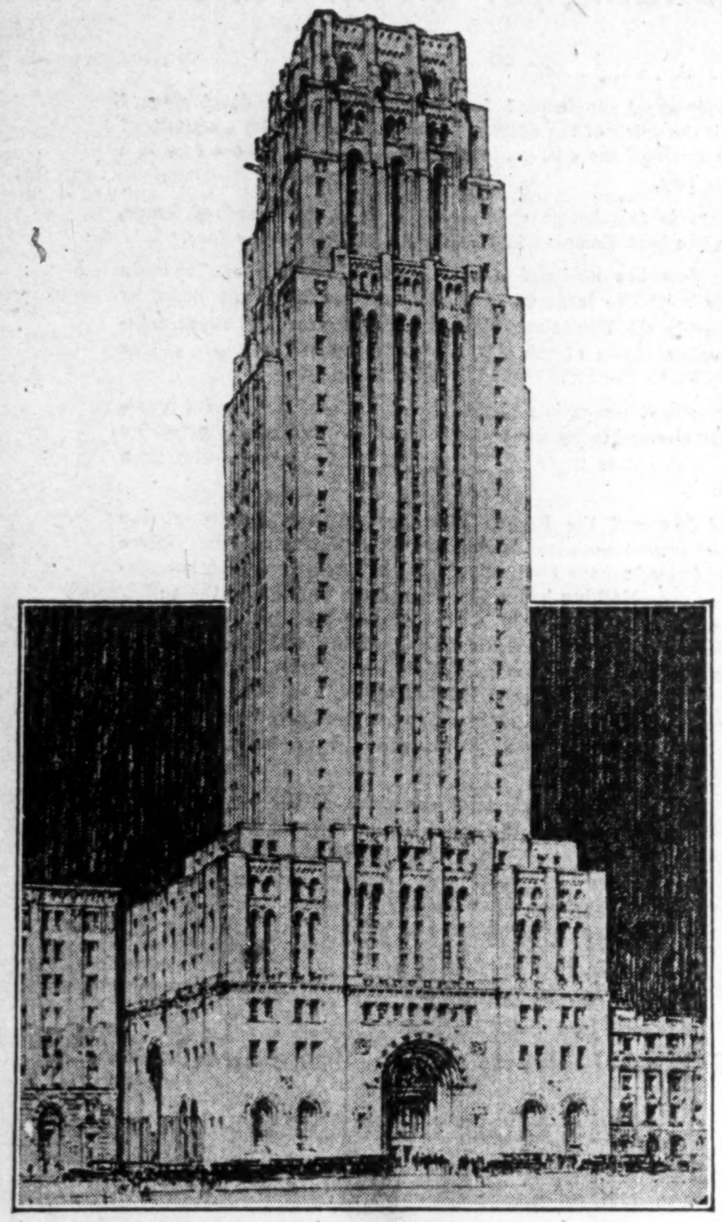
As well, Toronto possesses unrivalled transportation facilities in all directions by rail, lake, highway and air.

Toronto has available many industrial sites in harbour and other zones within the city limits or in the suburbs offering the greatest number of desirable features. These sites constitute an ideal base for manufacturing, both for the ever-growing Canadian market and for world-wide trade.

With electric power at cost and a plentiful supply of efficient labour, both skilled and unskilled, besides the other advantages outlined, industries are particularly favored.

Not only is Toronto the strategic location for industries in Canada, but it is also the cultural, educational, music, amusement and sports centre of the Dominion. Executives and their families, and workers, find this city of nearly a million population a delightful centre in which to live, where every taste may be gratified.

Toronto has grown as rapidly—perhaps more rapidly—than Canada in the last ten years. Toronto has done so soundly and solidly, because the city has had much to offer. And industries are continuing to establish themselves in Toronto every month. Every new industry locating in Toronto makes the city more attractive for other industries. Truly it may be said "To him that hath shall be given."



The latest addition to the skyline of Toronto, New Head Office Building of the Canadian Bank of Commerce, King Street, Toronto, soaring 32 stories into the air.

The Story of Toronto

Seventh of a series of twelve advertisements describing the City of Toronto prepared by The Financial Post. The undermentioned public spirited citizens, firms and institutions have made possible this series.

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